Daily Report

Central Eurasia

FBIS-SOV-93-042
Friday
5 March 1993

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FBIS-SOV-93-042 *5 March 1993*

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Russia's Berdennikov on START II, Nonproliferation

PM0403143693 Madrid ABC in Spanish
2 Mar 93 pp 38-39

[Interview with Deputy Foreign Minister Grigoriy Berdennikov by Isabel San Sebastian in Madrid; date not given]

[Excerpt] Madrid—[passage omitted] [San Sebastian] Has the threat of a nuclear holocaust disappeared altogether?

[Berdennikov] I would say that it has diminished considerably, because the START II agreement signed with the United States has made a huge contribution toward eliminating the threat of a first strike, but I cannot say that it has disappeared, because as long as there are nuclear weapons the danger of a holocaust will exist.

[San Sebastian] What will the next step be?

[Berdennikov] The next step is to put these agreements into practice. Then there is also, of course, a serious problem of nuclear proliferation and our top priority must be to extend the Nuclear Nonproliferation Treaty's period of validity indefinitely if possible.

[San Sebastian] Is this proliferation problem due exclusively to the breakup of the former Soviet Union's arsenal between various independent republics, or are there other countries?

[Berdennikov] Unfortunately there are many other nuclear or quasi-nuclear nations: India, Pakistan, Israel, Iran, South Africa...

[San Sebastian] What about Iraq?

[Berdennikov] It certainly achieved an alarming degree of nuclear development, which seems to have been neutralized.

[San Sebastian] Are there still any nuclear missiles in Russia aimed at Western cities?

[Berdennikov] Are there still any missiles in the West aimed at Russian cities? The answer is yes. If we take the mutual assured destruction (MAD) theory which has been operative until now, then it is a good thing, from a deterrent viewpoint, that missiles should be aimed at cities, although the first strike is never directed against them but against arms depots.

[San Sebastian] I deduce from your answer that, despite the change of atmosphere in Russian-U.S. relations, the disarmament talks are not exactly governed by mutual trust...

[Berdennikov] Of course. There are things we do not know and which cannot be verified, and we have not yet gotten as far as accepting our opponent's word... Building trust is something which takes time. We proposed to the Americans to remove the programs from all the missiles, so that they would not be aimed at any target, but we received no reply.

[San Sebastian] Is the interpretation that the START II Treaty favors the United States in terms of both quantity and quality correct?

[Berdennikov] That was also the interpretation given by certain reactionary circles in Russia and it is absolutely incorrect. The treaty is very balanced and does not give anybody an advantage; it provides for a common ceiling both for the total number of missile warheads and for the number of submarine-launched warheads.

[San Sebastian] Does START II mean that other nuclear powers such as Britain or China will gain more importance and influence by keeping their arsenals intact while the United States and Russia reduce theirs?

[Berdennikov] START II means that at some point, in the not too distant future, those countries will have to join the disarmament process, because the differences between the nuclear powers are no longer as deep as they were. Henceforth nobody will be able to make much further progress without bringing all the players into the game.

[San Sebastian] How much pressure has Washington put on Moscow, making the granting of economic and financial aid conditional upon the signing of this and other disarmament agreements?

[Berdennikov] During negotiations, this issue never arose and the price of cuts was never discussed. Disarmament is something which interests us as much as the Americans, and we never talked about selling arms; what we did discuss was the possibility of the West offering us help in destroying our arsenals.

[San Sebastian] Will Russia be able to meet the cost involved in this process, in spite of its crisis?

[Berdennikov] Currently we have to invest some 20 billion rubles a year to maintain our nuclear arsenal, and after the treaty that cost will decrease by about 25 percent, which shows that it can be done, although it will not be easy.

[San Sebastian] What will happen to the gigantic Soviet military industry?

[Berdennikov] We are facing a very urgent and complex conversion program, since state demand for weapons has dropped dramatically.

[San Sebastian] President Yeltsin has often complained about the resistance of the old regime's bureaucracy, which is boycotting his economic reforms. Does the same problem exist in the military sphere?

[Berdennikov] We have never had such good relations with the military as we have now. A spectacular change

has taken place in this group's attitude, and the main engineer of this change has been Defense Minister General Grachev.

[San Sebastian] Have they accepted a drastic reduction in their sphere of power and influence?

[Berdennikov] Absolutely. They have also played a fundamental role in the disarmament negotiations. They understood that it was irrational for our country to maintain such a nuclear force—totally unnecessary if you think that a man can only die once and that it is consequently absurd to build up the ability to kill him 10 times—and they also began to see that such a disproportionate arsenal undermines their own prestige and credibility. They accepted and backed the need to make room for a more rational defense policy of nonconfrontation with the West and of cutting arsenals—not just nuclear but also conventional—as well as limiting human resources to a maximum of 1.5 million men.

[San Sebastian] Does the risk of a coup d'etat still exist?

[Berdennikov] I do not see any such risk. Of course there is strong opposition from communist and nationalist groups, but they do not have the ability to organize a coup.

[San Sebastian] If Yeltsin finally loses his battle against these forces, will any Russian Government fulfill the terms of the START II Treaty?

[Berdennikov] I do not know. If the treaty is ratified by parliament, it will be a commitment made by the Russian nation, not by its government, but you never know what may happen in a situation of that sort.

[San Sebastian] Will the treaty be ratified in parliament?

[Berdennikov] We are doing what we can, although I will not conceal from you the fact that there is strong opposition based on precisely the interpretation which you mentioned previously. Only a few days ago the self-proclaimed National Salvation Front—an amalgamation of communists and nationalists—officially made known its position against ratifying the treaty, alleging that it is a gift to the Americans.

[San Sebastian] What would the consequences be if this treaty were not to be ratified?

[Berdennikov] It would be a catastrophe for Russia. It would lead to an uncontrolled escalation of weapons which we cannot afford; to the relaunching of programs like the Strategic Defense Initiative, or "star wars," which we cannot afford. The Soviet Union fell precisely because it could not afford "star wars" and the arms race against the West.

[San Sebastian] Can Russia guarantee that other nuclear republics, such as Ukraine which has not ratified START I, or Kazakhstan, will follow the path marked out by START II?

[Berdennikov] We have concluded the Lisbon Protocol in which they all undertake to become nonnuclear states as soon as possible and to sign the Nuclear Nonproliferation Treaty. We are now explaining to the governments of these republics that it is in their interest to fulfill the international agreements they have signed, otherwise the problem will not be Russia's but the whole world's.

[San Sebastian] Is there any risk of nuclear confrontation between neighboring former Soviet republics?

[Berdennikov] The risk is practically zero, not only because we get on together a lot better than that, but also because only Russia can be a nuclear power and possesses the necessary nuclear industry. If Ukraine were to decide to go nuclear, it would have to start from scratch.

[San Sebastian] It could always use the weapons it has in its territory...

[Berdennikov] Nuclear weapons do not last forever; there longest life span is 10 years. Also, the weapons' command and control system is the same as that in the former Soviet Union; in other words, it is totally centralized in Moscow. Only Moscow can press the "nuclear button."

[San Sebastian] So does Moscow have total and absolute control over not only the strategic but also the tactical nuclear arsenal of the former Soviet Union? Is there any danger, however remote, of "leaks" or "losses" of nuclear weapons of any kind?

[Berdennikov] The answers are yes and no respectively.

Yeltsin Sends Message to 'International Cooperative Council'

LD0403215793 Moscow ITAR-TASS World Service in Russian 1500 GMT 4 Mar 93

[By ITAR-TASS correspondent]

[Text] Moscow, 4 Mar—Boris Yeltsin wished success to the general assembly of the International Cooperative Council, which opened in Moscow today. In a message to the assembly, which is being attended by representatives of the CIS countries, the Baltic states, and Georgia, Russia's president says that "the work of the consumer associations in maintaining and developing historic economic ties is an important factor in strenghening mutually beneficial international cooperation."

"You are taking real steps towards uniting the economic interests of our states, and setting an example of goodwill and of the desire to work together on the principles of equality and mutual advantage," Yeltsin writes.

ITAR-TASS Carries Press Review for 5 Mar

LD0503070393 Moscow ITAR-TASS in English 0605 GMT 5 Mar 93

["Press Review"—ITAR-TASS headline]

[Text] Moscow March 5 TASS—Today's newspapers highlight reports that the Russian parliament has not adopted on Thursday [4 March] a resolution on the convocation of an extraordinary Congress of People's Deputies. It was reported that only 40 per cent of parliamentarians had voted for the congress, while 10 percent voted against and the rest abstained from voting.

KRASNAYA ZVEZDA writes that the very discussion around the convocation of the congress showed that far from all parliamentarians were prepared to resolve existing problems in a calm and businesslike manner. The newspaper writes that "highly passionate and quick-tempered speeches were made mainly addressed against Boris Yeltsin."

KOMSOMOLSKAYA PRAVDA reports that "the Russian parliament has openly confronted Yeltsin and his structures... Led by the speaker (parliament's Chairman Ruslan Khasbulatov) they, in fact, have indicted the Russian president and called him 'to account' on Friday, with 79 per cent of deputies voting for. [no closing quotation marks as received]

TRUD writes that the opposition insisted to appeal to the Constitutional Court to check whether the president's activities and resolutions were in compliance with the Russian constitution, which was not passed by the parliament.

Yuriy Skokov, secretary of the Russian Security Council, who was summoned to the parliament' session, voiced doubt about the statement made by parliament Chairman Ruslan Khasbulatov that "tension and confrontation are being created by the president's side." PRAVDA and SOVETSKAYA ROSSIYA write that "Yeltsin's actions are of unconstitutional character."

The KRASNAYA ZVEZDA carries an interview with Russian Economics Minister Andrey Nechayev, in which he speaks out in favour of political stability in the country saying that this is one of the most powerful factors of economic stability. However, Nechayev points out that it is necessary to make a clear cut decision as to what political system we are creating. "I believe that under our specific economic and political situation, our political traditions and political mentality, a presidential republic suits us more provided there is tough centralization of political power."

NEZAVISIMAYA GAZETA carries a report about a regular monthly inquiry conduced by the newspaper and the public opinion poll service to determine a hundred most influential Russian politicians. The February list considerably differs from that published in January. The top twenty places are held by Mikhail Poltoranin, head of the Federal Information Centre of Russia, Moscow Mayor Yuriy Luzhkov (the 13th and 17th places respectively). [sentence as received]

Boris Yeltsin and Ruslan Khasbulatov remain in the lead. The newspaper writes "the difference is that in a short period of time the 'distance' between them has been reduced more than twice (from 1.04 points to 0.44 points.), which occurred exclusively due to the enhanced political prestige of the Russian parliament speaker."

SOVETSKAYA ROSSIYA published a statement by former Soviet President Mikhail Gorbachev in which he denies reports published by the DPA news agency alleging that he intends to move to Germany.

Yeltsin-Clinton Apr Summit May Be Held in Warsaw

OW0403203593 Moscow INTERFAX in English 1959 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Well-informed observers in the Moscow diplomatic community think that the Russian-American summit scheduled for next April may take place in Warsaw. An Interfax reporter was told that Stanislaw Czosek, Polish ambassador in Moscow, may announce this at a news conference next Friday [12 March]. It will be held in the Russian-American Information Center (Institute of the U.S.A. and Canada, Khlebny pereulok).

The sources say that the U.S. and Polish presidents had a telephone talk on Wednesday in which they are said to discuss the possibility of holding the Russian-American summit in Warsaw. A spokesman of the Polish Foreign Ministry neither confirmed nor denied this report.

So did officials in the Russian Foreign Ministry contacted by an Interfax reporter.

Clinton Seen To Show Understanding for Russia

MK0403123093 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 10, 7 Mar 93 (Signed to Press 2 Mar) p A7

[Report by Dmitriy Yakushkin, chief of MOSKOVSKIYE NOVOSTI international department: "A Summit in the Modern Context"]

[Text] By virtue of his "anti-Vietnam" past, if nothing else, Bill Clinton belongs to a generation of American citizens who have developed a permanent allergy to high-flown political rhetoric. It was George Bush who had a penchant for too fine words. Notably, the new President deliberately simplifies his speech during public appearances.

Hence, when Clinton mentions the horror he and other people of his age used to experience when they lay on the floor in school classrooms to learn the difficult art of surviving a Soviet nuclear attack—yes, I tend to believe him, to believe that his feelings may be a motive prompting his political decisions today.

There is no taking chances with Russia—this appears to be the leitmotiv of the current mood in the White House. Besides, if formerly Washington had to deal only with Moscow, today it has to take into account dissenting stances on nuclear arms taken by the former Soviet republics, particularly Ukraine, which creates a somewhat unpredictable atmosphere around strategic missiles. The meeting with Yeltsin is an attempt at coordinating efforts in this sphere. In addition, if Washington can provide any real assistance to Russia, it is in the first instance logistical and financial backing for "insupportable" disarmament programs under START I and START II.

Let us also look through Clinton's eyes at reports coming nowadays from Moscow: rallies bringing together tens of thousands of dissatisfied people, the president's sagging popularity, the none-too-clear confrontation with parliament, plus unending economic chaos. In these circumstances could direct contacts with Yeltsin be postponed to a later time? Will this "later" ever come?

Thus, although the military dimension is no longer determining the substance of the Washington-Moscow dialogue, the future of the missiles continues to concern the Americans. They are also concerned over Yeltsin's future. In addition to these two factors, another motive prompting the American side to hold the meeting is its desire to win Russia's support for its approaches to Bosnia and Iraq.

Many people had also predicted that America under Clinton would for some time roll back into an isolationist foreign policy. A summit meeting with the Russian president was mentioned as something only for the very distant future. The schedule of Clinton's international meetings, however, and 10 days spent by his secretary of state in a nine-country Middle East tour overturned the earlier predictions. Before meeting Yeltsin, Clinton has already seen or will have seen the leaders of Britain, France, and Germany and the NATO secretary general. All this proves that he is active not only in economic policies back home.

By agreeing to meet with Clinton at the beginning of April Yeltsin, too, is sending a certain signal to the world. By so doing he appears to be denying the recent assessments of Russia's foreign policy as "anti-American." To what extent such a perception of it was based on firm ground is open to argument, but it is at least clear where it originated.

What caused it to appear was a number of the Russian president's recent statements: the one made in Beijing about Russia's overly Americanized foreign policy; and what he has said about Russia's willingness to start a dialogue with Baghdad and about differences in the Russian and American positions on the Balkan crisis. In Delhi, Yeltsin made it clear that he would not tolerate an American diktat regarding the rocket deals between Russia and India.

The natural course toward independence was interpreted as a rift emerging in Russian-American relations. The simple fact is, however, that our politicians have finally gotten rid of some illusions—among other things, that the West will open to a democratic Russia all doors leading to its scientific-technological and industrial space. The world market here had long been divided, however, with tight quotas set for different countries producing sophisticated goods and technologies.

Another factor that seems to augur well for the upcoming summit in psychological terms is that Clinton does not have too much of a complex of distrust of the Russians. Unlike Bush, he did not have to deal with the previous generation of Soviet politicians. He has started out, in

fact, with a new page. May be he was fortunate to live through the years of "stagnation" in Arkansas....

U.S. Eximbank Grants Loan To Buy Tractors

MK0403142093 Moscow KOMMERSANT-DAILY in Russian 4 Mar 93 p 2

[Natalya Kalashnikova report: "Russia Offered Tractors Instead of Bread"]

[Excerpts] On 3 March, Mike Espy, U.S. agriculture secretary, said that the current administration would not assist Russia in funding new grain purchases until Moscow resolved the problem of its growing arrears on agriculture loans. On the same day, the U.S. Eximbank decided to grant a direct loan to the Gazprom concern for buying tractor equipment, although formerly Eximbank tied the granting of loans to Russia to the repayment of its debt to the U.S. Department of Agriculture. The desire to conquer the Russian market appears to have taken precedence over the U.S. Administration's official line. [passage omitted]

A KOMMERSANT-DAILY correspondent has learned that the Eximbank granted a loan for Gazprom to buy 295 tractors from the U.S. Caterpillar company, Russia's traditional partner, which has been engaged in large-scale transactions for delivering bulldozers, pipe- layers, and spare parts for tractors since the late seventies. Currently Caterpillar is experiencing serious difficulties after its main rival, the Japanese Komatsu company, penetrated its market. According to Eximbank's spokesman, the Gazprom loan has a single and main purpose of providing assistance to the American company, because "the transaction would not have taken place without the money."

Thus, the American line is fairly clear. Their efforts have not only provided support to an American firm, but also squeezed out the Japanese from the Russian market to which they had lain claims, although their products, experts say, fit Russian conditions better than the American ones. Only one thing remains unclear: Why is it that a part of the loan, a sizable one at that—$14.5 million—was given to Gazprom in cash, when banks are known to part with money very reluctantly. This question of KOMMERSANT-DAILY was left unanswered by Gazprom officials.

New Plesetsk Complex To Launch U.S. Satellites Planned

LD0403182293 Moscow Radio Moscow World Service in English 1600 GMT 4 Mar 93

[Text] A new complex will be built at the Russian Plesetsk cosmodrome for launching American communication satellites. This is provided by the project under which the two countries will join efforts in building a new system of space communication. Russia is to launch American satellites with its rockets. All told, the United States will put up about 70 satellites on low orbits. Their reliable functioning in space will make it possible for anyone using an ordinary radio-telephone to get in touch with any part of the earth.

Problems of U.S.-Russian Grain Trade Viewed

PM0403154193 Moscow IZVESTIYA in Russian 2 Mar 93 p 4

[Aleksey Portanskiy and Yelena Yakovleva report: "United States Wants To Sell Grain to Russia, Despite Nonpayment of Credits"]

[Text] A Russian Government delegation headed by Vice Premier Aleksandr Shokhin is in Washington for the purpose of settling the problem of Russia's debts under previously granted grain credits and ensuring further grain deliveries.

On 26 February our delegation met with U.S. Agriculture Secretary Mike Espy. Although there have been no reports on the details of the conversation, it has been learned from informed sources that the Russian delegation intends to seek an increase in food aid and a "softening" of the terms for granting agricultural credits to the Russian Federation, despite delays over paying off debts to the Americans.

Over the past two years Russia and the former republics of the Union have acquired from the United States grain and agricultural products worth approximately $4.2 billion, which were obtained in the form of credit. It is now two months, however, since Russia virtually stopped buying U.S. grain, for it owes $383 million, and so the credit guarantees of the U.S. Department of Agriculture can no longer be extended to it.

At the beginning of February Russia signed an agreement with French banks to grant credit for the purchase of 2.5 million tonnes of grain. But we will be able to buy grain abroad on the same scale as in the past two years only if the structure of Russian foreign debts is revised or if the West undertakes some other aid measures.

As is known, Russia itself bought 106.8 million tonnes of grain last year. It bought 25.8 million tonnes from its own peasants against a plan of 29.1 million tonnes. Clearly, however, neither what was planned nor what was actually purchased is sufficient to supply the cities with food or the large livestock-raising complexes with feed grain. For comparison, the state purchased approximately 52 million tonnes of grain from the 1991 harvest, of which approximately 20 million tonnes went for feed and 32 million tonnes for food. Therefore, in the opinion of Leonid Cheshinskiy, president of the "Roskhlebo-produkt" Federal Contract Corporation, this year we will have to import at least 16 million tonnes of grain.

Unfortunately, the Russian Government's grain policy last year did not correspond in any way to the self-sufficiency strategy. The grain purchase prices were announced too late. Peasants were not given guidelines in the spring as to what to sow, with the result that we

increased sowings of food grain and reduced those of feed grain, which was already in chronic short supply. By this means alone we doomed ourselves to import grain.

The sharp drop in state purchases and the exclusion of feed grain from them brought the livestock-raising sector to the verge of collapse. To prevent our industrial livestock raising from collapsing, it was necessary either to create a nonstate system for the purchase of feed grain in the space of one year—which, of course, is unrealistic—or to put our trust once again in imports.

The long litigation with our agricultural producers over the price of bread, and the delays over grain sales were also offset by imported deliveries. In addition to the government's miscalculations, the fact that our grain production is generally unadapted to actual requirements also told. Even if there is enough of our grain, it is not suitable in terms of quality.

According to the forecasts of the U.S. Department of Agriculture, last year the republics of the former USSR imported less than their actual requirements. Russia's reduction in imported deliveries was, of course, linked not with a change of economic strategy but with the usual shortage of currency funds to cover the interest on debts.

Russia's grain purchases on the world market have a substantial effect on the level of prices there. If the Russian Federation's purchasing power drops, there will be a fall in world grain prices and U.S. prices. As a consequence, there will be increased spending on programs to give U.S. farmers assistance in the form of subsidies. According to U.S. Agriculture Secretary Espy, if grain deliveries to Russia ceased, it would be necessary to allocate more than $1 billion annually to U.S. farmers as material support. A drop of 1 percent in the average price of wheat over the year means an increase of $15-20 million in spending on subsidies, U.S. specialists believe.

In the longer term the United States is able to adapt to a drop in the volume of grain purchases by Russia by taking crop areas out of circulation within the framework of government programs. This will lead to a reduction in grain production and, consequently, will help to maintain prices at the proper level, as well as helping to reduce subsidies to farmers and to reduce their incomes.

The situation that has been created with regard to Russia's grain purchases from the United States worries both creditors and U.S. farmers, who have lost for a certain time a major sales market for their produce.

As Espy declared in one of his speeches to agricultural producers before the Russian Government delegation arrived, the U.S. Administration will soon confirm its intention to continue trade with Russia. He expressed the hope that the United States will be able to work out a solution to the problem—namely, to resolve the question of credit guarantees. It is very important for the United States to maintain Russia as a "very huge market" giving real support to prices of U.S. farm produce.

Kozyrev Letter to Butrus-Ghali Praises Arms Control Stand

LD0503072193 Moscow ITAR-TASS in English 0716 GMT 5 Mar 93

[By ITAR-TASS diplomatic correspondent Igor Shubin]

[Text] Moscow March 5 TASS—Russian Foreign Minister Andrey Kozyrev has sent a letter to U.N. Secretary General Butrus Butrus-Ghali in which Kozyrev highly assessed Butrus-Ghali's report "on new dimensions in weapons control and disarmament in the epoch after the end of the cold war" and Butrus-Ghali's proposals to increase efforts in weapons control and improve multilateral disarmament mechanisms.

The letter contains Russia's position on main priorities of disarmament problems under new conditions.

The letter points out that the task of implementing previously reached large-scale agreements is the main direction in this field. According to the letter, the fulfillment of commitments under these agreements costs Russia an amount of money exceeding national incomes of some rather developed countries. Therefore it is important to have an efficient strategy of international partnership for practical liquidation of armaments and conversion of military industries.

At the same time the world community could encourage steps taken by states to attract investments into conversion and high technology industries.

The strengthening of the existing regime of nonproliferation of weapons of mass destruction and its key treaty on non-proliferation of nuclear weapons has a great significance as well. Russia has confirmed its readiness to begin talks on the problem of control and tests of nuclear weapons.

The letter suggests that methods of weapons control be included into a broad context of international security, including in the sphere of prevention and settlement of regional conflicts. In this connection Russia suggests that the United Nations adopt a kind of "a codex of conduct" of parties involved in ethnic conflicts. The Russian side believes that a number of functions of the U.N. Security Council in the framework of the U.N. Charter should be brought up to date with the aim of liquidating dangerous crises.

Concrete measures on practical implementation of ideas contained in the "disarmament" report by the U.N. secretary general are expected to be discussed at the session of the first committee of the U.N. General Assembly which is to resume its work in New York next week.

Criticizes Ukraine Position on Nuclear Arms

LD0403175593 Moscow Russian Television Network in Russian 1700 GMT 4 Mar 93

[From the "Vesti" newscast]

[Text] Russian Foreign Minister Andrey Kozyrev has sent a message to the UN secretary general in which he states that Russia is seriously concerned that some countries—he is referring to Ukraine—are making accession to the Nuclear Nonproliferation Treaty subject to additional conditions and are representing this step as a sort of concession to the international community for which it should be paid.

As the document notes, when Russia's and the United States' nuclear weapons are being radically reduced, the world community has the right to expect that the other nuclear powers—Great Britain, France, and China—will join in nuclear disarmament in the foreseeable future.

Silence at the nuclear test sites of Russia, the United States, and France creates a favorable situation for resolving the problem of banning nuclear tests. Russia confirms its readiness to participate in the immediate future in drawing up an international treaty on the total banning of nuclear tests, the message notes.

Yeltsin, Finland's Koivisto View Trade Relations

OW0403154293 Moscow INTERFAX in English 1431 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Russia and Finland will continue to look for ways to surmount "interim difficulties" in the market concerning trade relations. The Presidents of the two countries, Boris Yeltsin and Mauno Koivisto, expressed such an intention during their meeting in Moscow (on Thursday [4 March] the Finnish President came to the Russian capital on an official visit).

Yeltsin's press secretary said that both Presidents believe that it is possible to revive business relations between the two countries thanks to Finland's participation in the development of the Primorskoe and Stockmann oil and gas deposits in the Barents Sea region. Koivisto said that Finland is greatly interested in Russia's energy resources. Yeltsin said that he would give instructions to the appropriate Russian departments to more actively build relations with Finnish firms which could be potential partners in the development of these deposits.

During negotiations, Koivisto pointed out that Helsinki fully supports the Russian leadership's course of serious economic reform.

According to presidential press secretary Vyacheslav Kostikov, negotiations will continue in the Zavidovo state residence (situated 70 kilometers to the northwest of Moscow).

On Friday afternoon the parties are expected to sign documents on the results of this meeting.

Koivisto Supports Yeltsin

LD0503115193 Helsinki Suomen Yleisradio Network in Finnish 1100 GMT 5 Mar 93

[Text] President Mauno Koivisto expressed his support to Russian President Boris Yeltsin in Moscow today. Koivisto said at his news conference that he has a lot of understanding for President Yeltsin's aims. President Koivisto had long bilateral talks with his host yesterday and today. He said that the visit took place at a time which was most eventful. Koivisto seemed to believe that President Yeltsin would overcome his difficulties. He said that Yeltsin has both optimism and determination.

At the same time, President Koivisto confirmed that the place of the summit between the Presidents of Russia and the United States planned for April will not be Helsinki. Koivisto will today meet Ruslan Khasbulatov, the speaker of the Russian Parliament, and Prime Minister Viktor Chernomyrdin. President and Madame Koivisto will return to Finland in the evening.

Kozyrev, Finnish Counterpart Meet

LD0403212693 Moscow ITAR-TASS in English 2120 GMT 5 Mar 93

[By ITAR-TASS diplomatic correspondent Georgiy Shmelev]

[Text] Moscow March 4 TASS—Russian Foreign Minister Andrey Kozyrev and his Finnish counterpart Paavo Vayrynen have begun talks in Moscow.

Vayrynen is accompanying Finnish President Mauno Koivisto who arrived in Moscow on a two-day official visit on Thursday.

The parties discussed bilateral relations, including the "transparency" border, urgent international issues, primarily the settlement of the Yugoslav conflict, and cooperation in the Baltics.

They also focused on the expansion of the system of border check points and development of cooperation between border districts.

Vayrynen said the last issue on the agenda was the upcoming second session of the Council of the Baltic Sea States in Helsinki and ways to bring its activities "into a more practical mode". The Russian side put the emphasis on the importance of the establishment of the post of the supreme commissioner for human rights and ethnic minorities of the Conference and Security and Cooperation in Europe, and, secondly, on the strengthening of the "economic aspect," the minister said.

Kozyrev Criticizes Baltic States Cooperation Council

OW0503115593 Moscow BALTFAX in English 1140 GMT 5 Mar 93

[Following item transmitted via KYODO]

[Text] Russan Foreign Minister Andrey Kozyrev has said on Friday he is "very much dissatisfied" with the activities of the Baltic States Cooperation Council. He made the statement at a meeting of administrators of the regions adjacent to Finland. Among them were speaker of the Karelian prliament Viktor Stepanov, prime minister Sergey Blinnikov, leader of the Murmansk region Yevgeniy Komarov, leader of Leningrad region Aleksandr Belyakov and Mayor of St. Petersburg Anatoliy Sobchak.

Explaining his dissatisfaction, the minister said that the organization is worthwhile. However, the communique, which could be approved on the results of the Council's session in Helsinki in mid- March, has only what he described as "general" provisions. Kozyrev pointed to the need for the Russian delegates to suggest, before the session, two or three concrete proposals that could add businesslike impetus to the session.

The minister has said he is interested in the successful development of contacts between Russian regions and not only Finland but other of Russia's northern neighbors as well.

Denmark's Defense Minister Agrees to Joint Naval Exercises

PM0403161293 Copenhagen BERLINGSKE TIDENDE in Danish 3 Mar 93 p 4

[Flemming Rose report: "Defense Ministers Agree on Exchanges"]

[Text] Moscow—Russian soldiers will learn from Danish soldiers and vice versa. The Baltic Sea will be a sea of peace in which the Danish and Russian navies will hold joint exercises, and next summer the first Danish naval visit to St. Petersburg since the Soviet invasion of Afghanistan in 1979 will take place.

These are the agreements reached by Danish Defense Minister Hans Haekkerup and his Russian counterpart, General Pavel Grachev, in talks here in Moscow. Haekkerup is the first Danish defense minister to pay an official visit the former Soviet Union. In the next few days he will visit the Russian Northern Fleet in Murmansk and the Baltic Fleet in the Kaliningrad region.

"There will be exchanges of officers at the Danish and Russian military academies. Russian officers will also be able to take part in UN courses under the umbrella of North Atlantic cooperation. We believe that this will be of great importance in the longer term. Military tradition in Russia is not the same as what we are used to in an ordinary democratic country. There will be a base for the exchange of culture and traditions," Hans Haekkerup said at a press conference at the Russian Defense Ministry.

According to Haekkerup, the Russians are interested in entering into a naval cooperation agreement with Denmark in order to avoid misunderstandings and clashes in the Baltic Sea.

"When we meet politicians and the military from the former Warsaw Pact countries we are discovering to an ever increasing extent that our values are shared. And even if we envisage some political setback in Russia, there can be no suggestion of a threat to Denmark," Haekkerup stressed.

The Danish defense minister noted with satisfaction that the Russian leaders did not link the question of the withdrawal of Russian soldiers from the Baltic countries to the position of the Russian minorities in these countries. In the past President Yeltsin has insisted on a package solution of the two problems.

"However, we do understand the practical problems the Russians have in this respect," Haekkerup said.

Kozyrev, Israeli Envoy Discuss Middle East Situation

OW0403214693 Moscow INTERFAX in English 2000 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Russian Foreign Minister Andrey Kozyrev on Thursday [4 March] met with Israeli Ambassador to Russia Hayim Bar-Lev.

They exchanged opinions on the situation in the Middle East peace settlement process and on Russian-Israeli relations.

Kozyrev cited the need to knock down the obstacles that have recently emerged in the Arab-Israeli dialogue. They expressed their certainty that all interested parties would act in the interests of improving the situation in the Middle East, so that peace negotiations could be resumed as soon as possible.

Bar-Lev confirmed Israel's readiness to continue participating in the Middle East peace process. On behalf of his government, the ambassador spoke in favor Russia playing an active role as a cosponsor of the Arab-Israeli negotiations for reaching a comprehensive settlement, peace, and stability in the Middle East.

Government To Cooperate With Belarus on Tyumen Oil Deposits

OW0403163393 Moscow INTERFAX in English 1437 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Russia and Belarus, at the recent meeting in Surgut of leaders and authorized officials from Commonwealth countries, the Baltics and the Transcaucasus, signed a bilateral agreement on the principles and extent of cooperation in the oil and gas complex of Tyumen (Western Siberia). This was announced on Thursday [4 March] at a press conference in Minsk by Belarusian Vice Premier Mikhail Myasnikovich. He stressed that this agreement legally enhances Belarusian property on Russian territory through its participation in Belarusian-Russian joint ventures being created there.

The founders of the first such joint venture are the Noyabrskneftegas production association on the Russian side and the Mozyr oil refinery and Belarusneftegas production association on the Belarusian side. This JV will develop five oil deposits in the Tyumen region, which will provide Belarus with up to 2.5 Mn [million] tons of oil a year. By creating joint ventures, Belarus hopes to annually import an additional 6 Mn tons of oil above established contract volumes.

Myasnikovich also reported that according to the agreement, Belarus will build 60,000 square meters of housing in Tyumen and about 70 km of roads. In addition to this, the republic will supply Russia with petroleum products, rolled metals and various kinds of machinery, specifically pump equipment.

Kazakh Official Views Yeltsin's Call for More Power

LD0403205393 Moscow ITAR-TASS in English 2200 GMT 4 Mar 93

[By ITAR-TASS correspondents Amangeldiy Akhmetalimov and Gennadiy Kulagin]

[Text] Almaty March 4 (TASS)—Russian President Boris Yeltsin's speech at the Civic Union Congress last Saturday has caused a controversial reaction in the former Soviet Union and outside it, Tulegen Zhukeyev, Kazakhstan state counselor, said.

"To my mind it is more important for us now not to return to the question of confederation, but to try to strengthen the institutes and accords which we have already established within the CIS," said Zhukeyev.

"Unfortunately judging by the results of the latest CIS meeting in Minsk, no sizable economic or political moves have been made so far. If all our agreements are observed properly, no one would need to request special powers or make appeals to the United Nations," Zhukeyev stressed.

"But our life is full of tragic facts. I do not rule out that in some conflicts we will have to use force, but such decisions should be adopted collectively on a legal basis, which has largerly been established by CIS documents," the counselor said.

Additionally, the role of regional international organisations is growing in world politics. Six months ago in Bishkek Kazakh President Nursultan Nazarbayev proposed a draft agreement on an interstate court. The court could handle the questions of conflict prevention in the former Soviet Union, Zhukeyev said.

"If we establish such an institute, we would create a model of a regional body to prevent and settle conflicts by peaceful means. It would also save anyone the trouble of bearing 'special powers' all alone," said Zhukeyev.

Talks With Estonia Begin in 'Difficult' Atmosphere

PM0503101993 Moscow IZVESTIYA in Russian 3 Mar 93 first Edition p 1

[Leonid Levitskiy report: "Latest Stage of Russian-Estonian Talks"]

[Text] Tallinn—The latest round of talks between Russia and Estonia has begun at the government guest house near Tallinn. Never before have the sides met in such a difficult atmosphere.

The newspaper RAHVA HAAL carries an editorial on the talks headlined "Russia threatens and warns." To back up this conclusion the newspaper cites Foreign Minister A. Kozyrev, whose statements, RAHVA HAAL assures readers, are again dominated by accusations against Estonia.

The newspaper cites a comment from an unnamed high-ranking Foreign Ministry official. He condemns Estonian Foreign Minister T. Belliste for accusing Russia of harboring territorial claims and promises retaliatory actions at the talks among other places.

Most probably the Russian side will also react to the speeches of Estonia's top leaders in February. Indeed, J. Luik, Estonian minister and head of the country's delegation, makes no secret of the fact that President L. Meri's speech at the celebration of the republic's jubilee has made the atmosphere at the talks more difficult. To be precise, the president effectively accused Russia of adopting a neoimperialist foreign policy doctrine.

Russia's position does not suit Estonia for two fundamental reasons. Russia considers that the Estonian Republic ceased to exist in 1940 and that a new state has been formed today. Consequently, the Yuryev (Tartu) Treaty has automatically lost its force.

"The talks with Russia are deadlocked," V. Svatpalu, chairman of the State Assembly Foreign Affairs Commission, told journalists. "Until it recognizes the Tartu Treaty the conclusion of a general treaty with it is unrealistic. There can only be agreements on certain secondary issues..."

But the problems that are being discussed by the delegations in the seaside guest house can hardly be considered

secondary. J. Luik characterized them as follows: military—the withdrawal of the Russian troops; humanitarian—the return of archives; economic—customs affairs and Estonian banks' hard currency frozen by the former USSR Bank for Foreign Economic Activity; and border questions. Will the diplomats succeed in painlessly unraveling a few threads from the very complicated knot of contradictions? Neither side seems especially optimistic.

Moscow Stance Toward Pakistan, Iran Linked to Tajikistan

OW0403153793 Moscow INTERFAX in English 1510 GMT 4 Mar 93

[Report by diplomatic correspondents Andrey Borodin, Dmitriy Voskoboynikov and Igor Porshnev; from the "Diplomatic Panorama" feature—following item transmitted via KYODO]

[Text] Russia's future relations with Iran and Pakistan will depend on whether these states take into account Russia's interests in Central Asia, above all in Tajikistan, a high-ranking Russian diplomat told Russian reporters. He also said that during his visit to Teheran and Islamabad, scheduled for the end of March, Russian Foreign Minister Andrey Kozyrev will express Russia's concern about the situation in Tajikistan.

This diplomat said that in April one could expect the situation in Tajikistan to deteriorate. "As everybody knows, Tajik Islamists undergo training in Afghanistan-the country much influenced by Pakistan and Iran. The threat of Tajikistan's disintegration is still there, and preventive diplomatic measures will have to be taken," he said.

He also noted that the "health" of Russia and of the Central Asian republics depended on whether the "wound" in Tajikistan were healed. For this particular reason, following his visit to Teheran and Islamabad, Andrey Kozyrev will fly to Dushanbe and to one of the border posts on the frontier between Tajikistan and Afghanistan.

The Russian diplomat also said that Andrey Kozyrev's previous visit to Tajikistan last November was extremely useful as it laid the beginning for the evacuation of ethnic Russians from that republic. Out of the 250,000 ethnic Russians, 100,000 have left Tajikistan. "There are no ethnic Russians in Tajikistan now, who wish to emigrate but cannot do so," he said.

He also denied allegations that Russia was supporting the post- communist authorities in Dyushambe. "Russia's policy has no ideological bias. Our goal is a stable and peaceful Tajikistan," he said. He also added that Uzbekistan and other Central Asian republics pursued the same goal. It is not surprizing, therefore, that from Dyushambe, Kozyrev will travel to Tashkent, Ashghabad and, possibly, to Alma-Ata.

In Iran and Pakistan, Kozyrev will also discuss the situation in former Yugoslavia and in Nagorno-Karabakh, said the Russian diplomat. In Iran the talks will deal with the situation in the Persian Gulf and with ways of settling the Middle East problem. In Pakistan, the main emphasis will be laid on the South Asian problems and on the questions of the non-proliferation of nuclear weapons.

In Teheran and Islamabad Andrey Kozyrev will raise the problems of trade and economic cooperation which "leaves much to be desired", he said. Over the past few years, the volume of trade with Iran and Pakistan has gon down several times. "Russia's participation in the cor ,truction of two nuclear power plants in Iran, whose nuclear program has a peaceful character, might promote such cooperation," said this diplomat. "Iran has signed the treaty on the nonproliferation of nuclear weapons and agreed to allow IAEA experts to inspect its nuclear facilities," he added.

Speaking about Russia's involvement in the construction of a heavy-water research reactor in Iran, he said that experts of the Russian Foreign Ministry opposed this idea, because such reactors may be used for the production of weapons-grade plutonium.

Assessing prospects for Russia's participation in the constitution of nuclear power plants in Pakistan, the diplomat said that "this is out of the question." He said that Pakistan was one of the "threshold" states capable of manufacturing nuclear weapons. Besides that, Islamabad is not a signatory to the treaty on the non- proliferation of nuclear weapons and opposes the idea of international inspection of its nuclear facilities.

Military cooperation with Pakistan is a "rather controversial sphere" which will largely depend on the policy pursued by Islamabad," he went on to say. He admitted that certain Russian quarters, above all representatives of the military-industrial complex, welcome such cooperation. They say with good reason that if Russia does not supply armaments to Pakistan, someone else will do so. And yet, the time has not come for such cooperation, said the Russian diplomat.

Speaking about Iran, he said that Moscow was ready to broaden military-technical cooperation with that country on the condition that it would not upset the current alignment of forces in the region. He also added that Russia could only supply Iran with conventional weapons. Besides that, Russia will link such cooperation with Iran's policy in Central Asia and with its "contacts with the Russian Federation's constituent republics." It will also take into account Iran's assistance in liberating former Soviet POWs from Afghan prisons.

In Iran, Andrey Kozyrev will discuss problems pertaining to Caspian cooperation which envisages joint efforts by Russia, Iran, Kazakhstan, Turkmenistan and Azerbaijan in preserving fish and other riches of the Caspian Sea. In Teheran and Islamabad Kozyrev will raise the problem of Russia's joining the Organization of

Economic Cooperation uniting Iran, Pakistan, Turkey, Afghanistan and the Central Asian republics of the CIS.

Formally, Andrey Kozyrev's visit to Iran is expected to produce an agreement on consultations between the Russian and Iranian foreign ministries, said the Russian diplomat. Also, the two parties are likely to initial a Russian-Iranian "basic" document - an agreement or a declaration. It is not ruled out that a similar document will be discussed during Kozyrev's talks in Islamabad, he said.

Senior Diplomat Views Angola, Mozambique, South Africa

LD0403204493 Moscow ITAR-TASS in English 2146 GMT 4 Mar 93

[By ITAR-TASS diplomatic correspondent Sergey Nikishov]

[Text] Moscow March 4 (TASS)—Angola is the most dangerous hotspot in Africa and if hostilities continue there the country may break in two parts and 2-3 million people may face famine, according to a senior Russian Foreign Ministry official.

"In Africa there is no other more dangerous and contradicting situation than in Angola", Grigoriy Karasin, head of the African department of the Russian Foreign Ministry, told reporters on Thursday.

The world community faces a difficult task of normalising the situation there which aggravated after the oppositional UNITA group refused to recognise the results of general elections held last September, according to Karasin.

He admitted, however, that diplomatic efforts have yielded no results so far. In this connection Russia intends to ask all forces supporting UNITA to cease their assistance. Karasin did not exclude the possibility that the world community, the United Nations in particular, will resort to drastic measures to settle the Angolan crisis. He did not elaborate.

Karasin warned that Angolan experience should be avoided in the settlement which has taken shape in Mozambique. Russia is ready to participate in the process. 20 Russian observers will join the UN mission in Mozambique, he said.

Russian relations with South Africa "are gaining momentum" and potential spheres of cooperation are being studied, according to the diplomat who added that eight bilateral agreements are being worked out.

Nelson Mandela, the leader of the African National Congress is expected to visit Russia this year. "We are maintaining political dialogue with that major opposition organisation in South Africa, but we would like to promote it by personal contacts between leaders", Karasin said.

Report on Stopping Rocket Motor Deliveries to India Denied

LD0403211393 Moscow ITAR-TASS World Service in Russian 1334 GMT 4 Mar 93

[By ITAR-TASS correspondent Vadim Byrkin]

[Text] Moscow, 4 Mar—The press service of the Russian Federation Defense Industries Committee today denied a report by the Chinese newspaper RENMIN RIBAO that Russia, "under U.S. pressure, intends to stop delivering rocket motors to India."

As an ITAR-TASS correspondent was informed by the committee's press service, information that Russia has broken its contract to deliver cryogenic motors to India is not true and work on the cryogenic motor for India is going on in accordance with the treaty.

Boris Ostroumov, the deputy director general of the Russian Space Agency, made a similar denial on Wednesday.

STERN Story on Resuming Nuclear Testing Unconfirmed

PM0403141993 Moscow KOMSOMOLSKAYA PRAVDA in Russian 4 Mar 93 p 3

[A. Golovanov report: "Rumors Surrounding Novaya Zemlya"]

[Text] As reported by Radio Warsaw, the latest issue of the German weekly STERN carries a report on a secret directive by Russian President Boris Yeltsin to the Russian Federation Ministry of Defense and Ministry of Atomic Energy. It talks about the start of preparations for the resumption of nuclear weapons tests on the Novaya Zemlya Archipelago. The magazine allegedly received a copy of the presidential document from its own sources. KOMSOMOLSKAYA PRAVDA's editorial office turned for explanations to those "circles" where the leak of information occurred.

"We have seen no such edict," Anatoliy Krasikov, leader of the president's press service, said. "We receive all documents from the head of state's personal office as soon as they are signed by him."

"Has this question been discussed in the president's entourage?"

"I heard about this story the day before yesterday (that is to say, 1 March—KOMSOMOLSKAYA PRAVDA correspondent's note), when I was telephoned and told that the magazine was carrying such an item."

The Russian president's administration knows nothing about any instruction or directive by Boris Yeltsin. However, 10 days ago our correspondent was refused entry to the Novaya Zemlya test range....

Japan Launches Aid Program to Russia

LD0503091193 Moscow ITAR-TASS in English 0738 GMT 5 Mar 93

[By ITAR-TASS correspondent Yevgeniya Lentz]

[Text] Vladivostok March 5 TASS—Japan's charity organisations intend to provide 6.25 billion yens worth of food stuffs as humanitarian aid to Russia until the end of 1993. Priority has been given to the Maritime Territory as Japan's closest neighbour. The first batch of food aid is expected to arrive in the Maritime Territory on March 23, while the rest are expected to be delivered by the beginning of summer.

The terms and order of shipment of cargoes were specified at a conference of Japanese Foreign Ministry officials and the administration of the Maritime Territory in Vladivostok on Friday.

One-fourth of revenues from the sales of food supplies will be used by the foundations of the Russian Federation, the rest will be invested into social development programme of the city and the territory.

A representative of the British "Crown" Company will permanently stay in Vladivostok as a coordinator. The Crown Company had previously distributed humanitarian aid in Russia's European part. At the suppliers' request delivered foods stuffs will be sold at prices lower than market ones.

Kohl Resists Tokyo Pressure for Support on Kurils

PM0503100993 Moscow IZVESTIYA in Russian 2 Mar 93 p 3

[Sergey Agafonov report: "German-Japanese Dialogue on Russian Issues"]

[Text] Tokyo—German Chancellor Helmut Kohl came to Tokyo for the weekend, but this did not make his visit any less intense—it has been seven years since he last came to the Japanese capital. Plenty of problems meriting bilateral discussion have accumulated, and so it is all the more remarkable that other issues, primarily the "Russian" one, occupied center stage in the discussions during the summit meeting in Tokyo.

During a two-hour meeting between the chancellor and the Japanese premier, at a ceremony during which Kohl was made an honorary professor of Tokyo University, at an official dinner, and again during a news conference, the German guest spoke of the need for resolute support for the Russian reforms and the importance of coordinating Western efforts to achieve stabilization across the area of the former Union and East Europe.

The Japanese had no doubt that the Russian topic would crop up during the chancellor's visit, but Tokyo had clearly not expected it to become the dominant theme. Many observers drew attention to Miyazawa's attempt to extract from Kohl a "formula of support" for the Japanese position in the territorial dispute with Russia, and the more than modest results of this attempt. H. Kohl diplomatically declined the diplomatic offer to support the Japanese position, restricting himself to a general statement on the desirability of normalizing Japanese-Russian relations, and that was all. On the other hand, direct appeals to Tokyo regarding participation in the "common Western cause" of supporting Russian reforms and assisting the other successors of the former USSR were formulated extremely clearly and unequivocally in the chancellor's statements.

Against this background, the chancellor's suspicious indifference to pressing Japanese-German bilateral affairs, primarily economic problems, was interpreted by some observers here as the first serious symptom of the "collective irritation" among the G-7 partners that has been provoked by Japan's peculiar position on the Russian question. The influential SANKEI SHIMBUN even pointed to the danger of Japan's being isolated at the upcoming G-7 meeting in Tokyo, and other mass media, noting the hurriedly organized direct dialogue between Yeltsin and Clinton, have recalled a number of recent U.S. statements implying close linkage between general world prosperity and stabilizing the situation in Russia.

Political Issues

Chernomyrdin Chairs Government Meeting; Yeltsin Absent

LD0503105293 Moscow ITAR-TASS World Service in Russian 0955 GMT 5 Mar 93

[Report by ITAR-TASS correspondents Ivan Ivanov and Gennadiy Talalayev]

[Text] Moscow, 5 Mar—A meeting of members of the government on questions relating to preparations for the upcoming Russian Federation Congress of People's Deputies on 10 March has started in the Kremlin under the chairmanship of Viktor Chernomyrdin. Opening the meeting, the head of the Russian cabinet announced that Boris Yeltsin had been unable to attend.

Speaking about the tasks of today's meeting, Viktor Chernomyrdin declared that "today the government needs to determine a position of principle as regards its further work and to plan a concerted line of action" at the upcoming Congress. Stressing the existence of a constitutional crisis within the country, Viktor Chernomyrdin noted that the legislative organs of power were attacking the structures of executive power both in the center and in the localities.

Faults Parliament, Backs Yeltsin

LD0503113493 Moscow ITAR-TASS World Service in Russian 1025 GMT 5 Mar 93

[Report by ITAR-TASS correspondents Ivan Ivanov and Gennadiy Talalayev]

[Text] Moscow, 5 Mar—It is necessary to put an end to the unnatural confrontation, when the parliament is more and more taking the place of the government and turning itself into a commonplace party-economic activ, Viktor Chernomyrdin stated when speaking at a session of the government in the Kremlin. Vyacheslav Kostikov, the press secretary of the Russian Federation president, informed journalists about this.

The government should state its prerogatives decisively and boldly. Without this, the country's extrication from the crisis is not possible. Viktor Chernomyrdin also noted that the president has always been the main buttress for the government. From the president, the government feels, not a petty tutelage, as it does in relation to the parliament, but a sound and powerful support.

Viktor Chernomyrdin stated that the government is firm in its solidarity with the president and is ready to render support to him with all its might. The head of the Russian Cabinet stated the need for the government to pursue an active policy at the upcoming Congress of People's Deputies, as it is not a question of the fate of the government, but the fate of Russia.

Parties Support Yeltsin's Constitutional Agreement

LD0403163393 Moscow ITAR-TASS in English 1630 GMT 4 Mar 93

[Text] Moscow March 4 TASS—The constitutional agreement proposed by the Russian president to parliament in order to solve the current political crisis is supported by most political parties, trade union and public organisations which have held consultations with Boris Yeltsin as for March 4, the presidential press service announced on Thursday.

A total of 48 parties and movements supported the agreement which provides for the preservation of the existing share-power system in Russia. They include three confederations of Russian trade unions, the "Democratic Russia" movement, the Peasants' Party, the Economic Freedom Party, the Republican Party, the Russian Movement for Democratic Reforms, various public organisations and the Union of Russian Cossacks.

Filatov Meets With Opposition Groups

OW0303183593 Moscow INTERFAX in English 1816 GMT 3 Mar 93

[Following item transmitted via KYODO]

[Text] Head of the RF [Russian Federation] President's Administration, Sergey Filatov, has met with coordinators of the parliamentary factions of the "Russian Unity" oppositional block. The meeting was staged Wednesday [3 March] night in Russia's House of Soviets.

The coordinator of the "Communists of Russia" faction, Gennadiy Sayenko, told Interfax that Boris Yeltsin has authorized Sergey Filatov to "conduct working contacts with the oppositional bloc to address options for the bloc's representatives to meet with the Russian President one of these days."

In the words of one of the "Russian Unity" leaders, during the discussions the parties have outlined the agenda for their future discussions with the president, such as economic situation, Russia's priorities in foreign policy, including national security issues, personnel training for effecting the economic reform, as well as ways of resolving the ongoing crisis.

Mr. Sayenko observed that none of these issues was addressed in detail. Sergey Filatov proposed, meantime, that the "Russian Unity" leaders "formulate their understanding of these issues and present them to the presidential structures for consideration by the end of March 4." Following that, the president will decide whether and when this meeting can be held.

In the words of Mr. Sayenko, the coordinators handed to Sergey Filatov a document, intended for the president, under the title "Conceptual View at the Reforms in

Russia's Economy" which had been worked out by a group of the "Russian Unity" experts.

A spokesman for the presidential administration also confirmed for Interfax the fact of the meeting between Sergey Filatov and the "Russian Unity" representatives.

By his appearance at the "Civic Union" bloc of centrist parties and organizations, President Yeltsin initiated a series of consultations with various political forces of the country in anticipation of the extraordinary congress of the RF people's deputies for overcoming the crisis.

On March 2, in the context of such consultations, the president met with the "Democratic Choice" alliance.

Russian Unity Deputy Reveals Upcoming Strategy

MK0403103093 Moscow NEZAVISIMAYA GAZETA in Russian 3 Mar 93 p 2

[Ivan Rodin report: "Opposition Responds to Yeltsin"]

[Text] On 2 March, the Supreme Soviet Presidium decided that, along with the presidential version of a constitutional agreement, a draft law on amendments and additions to the Constitution drawn up by the parliamentary opposition should be submitted to the committees and commissions for consideration. The latter document had been drafted by Deputy Vladimir Isakov, coordinator of the Russian Unity bloc.

As he points out in an explanatory note, "the draft law is aimed at improving further the system of the division of powers and achieving an optimal distribution of authority between the supreme bodies of the legislative and executive branches, and also the highest official of the state—the president of the Russian Federation." This is actually what the document is about: turning the president from a chief executive into a head of state and increasing the role of the government by handing over the president's current powers to the prime minister. "This is our answer to the president," Deputy Nikolay Pavlov stated, meaning the version of a constitutional agreement proposed by the president. "Yeltsin proposes amending Articles 104 and 109 of the Constitution (on the powers of the Congress and the Supreme Soviet), whereas we favor amending 121 (on the president)," the author of the amendments said.

The following is being proposed in the draft changes and amendments to the constitution. The parliament may express no confidence not only in the government as a whole, but also in its individual members, and revoke Council of Ministers decrees and directives at its own discretion without having to ask the president to do so as is now the case. The Supreme Soviet will approve all cabinet reshuffles, but now at the request of the prime minister, not the president. The reference in Article 121 to the president as the head of the executive branch is removed, and the latter loses his right to appoint and dismiss ministers and to direct the cabinet's activity in general. The president is also relieved of his duty to head the Security Council and saved the trouble of maintaining state and public security and so froth. A revised Article 122 defining the functions of the Council of Ministers reaffirms the above amendments.

On 5 February the Supreme Soviet will have to decide whether to include a discussion on the constitutional amendments in the extraordinary Congress agenda. This will depend largely on the speaker's position, the more so because the bill proposed by the opposition in fact reflects in legal terms many theses from his Novosibirsk speech. This is acknowledged by Vladimir Isakov himself, who believes that the draft has an entirely realistic chance of being adopted at the Congress by a two-thirds majority. The centrist factions mostly support it, and in addition the opposition does have something "to give" in exchange for finding a compromise. Vladimir Isakov says that the adoption of his draft will have the following consequences: "A drastic change in political scenery. The certain resignation of Yeltsin and, possibly, Khasbulatov. Drastic changes in the government, which is still made up of Gaydar's appointees, and drastic changes in foreign policy course."

Democratic Russia Representatives Confer

PM0403151793 Moscow ROSSIYSKAYA GAZETA in Russian 3 Mar 93 First Edition p 2

[Correspondent Andrey Shishov report under the "In Parties and Movements" rubric: "'Democratic Russia' Has Mislaid Its Goal. Search Launched"]

[Text] The plenum of the council of representatives of the "Democratic Russia" movement, which finished last Sunday in Nizhniy Novgorod, frequently called "the city of reforms," has adopted a decision to support the referendum.

Over 150 "democratic Russians" from all over Russia took part in the plenum's work. In their speeches they lamented the lack of support from the people, the hopelessness of the organization, and even the treachery of some of its former leaders.

"We moved heaven and earth to get Gavriil Popov into the Moscow mayor's job, but he spurned us, slamming the door without even saying sorry, and now he is setting up his own party," Father Gleb Yakunin said with regret. According to him, "Democratic Russia" will lose the present elections, but it might triumph next spring. Over whom?

A number of members of the council of representatives, including Deputy Viktor Sheynis, believe that they should now get involved in economics rather than politics. Most members disagreed with him, just as they disagreed with the opinion of Governor Boris Nemtsov, who claimed that there is no constitutional crisis in the country. There is, and it can only be resolved by a referendum, the participants tried to convince each other.

"Democratic Russia" has come to the present plenum weakened and torn apart by contradictions of various kinds. Conflicts in local organizations such as, for example, the one in Nizhniy Novgorod, where two wings have formed—"for" and "against" Nemtsov—have certainly not facilitated the formulation of specific targets and tasks appropriate to the spirit of the moment.

" 'Democratic Russia' passed its peak in August 1991 when it could and should have taken power into its own hands, but it missed the opportunity to do so," Sergey Kucherov, member of the council of representatives from the Social Democratic Party, stated.

"The dramatic fate of democracy in Russia lies in the fact that at the time when the greatest events in the country were taking place, the lack of a developed multiparty system enabled the neocommunists to eliminate some of the democratic gains and slow down the implementation of radical economic reform," Sergey Kucherov stresses.

The view that "Democratic Russia" is gradually losing its image, is splintering into smaller factions, and has no clear goal or clear-cut program, was voiced on several occasions in the meeting hall, which is home to the Nizhniy Novgorod trade unions, and also in the plenum lobbies. Speakers noted that in many cases the movement has followed in the wake of the Russian president's policy without any concern for its own position on a number of fundamental issues, for example on the subject of interethnic conflicts. As the delegate from Stavropol noted, all this has led to a situation where people are currently unsure of whom or what to support. Will we ever turn into a strong organization or will we remain forever at the beck and call of one of the strongmen of this world?—this was how this representative of the democratic south of Russia concluded his speech. The issue is basically whether "Democratic Russia" will be officially registered as a single political party or will it remain an agglomeration of new political autogenies? The answer to this question will be sought by the five new cochairmen (Ponomarev and Yakunin have been joined by Tomchin, Starovoytova, and Zaslavskiy) and the newly elected members of the coordinating council, who, so the theory goes, will inject new blood into a movement that does not want to quit the political stage and which, to be fair, has performed considerable services in the cause of establishing Russian democracy.

NSF Member Says Coup Planned at Security Meeting

OW0403160793 Moscow INTERFAX in English 1434 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Russian Defense Minister Pavel Grachev was lying when he said that only questions of military doctrine were discussed at Thursday's [4 March] urgent meeting of high-ranking figures in the president's staff, according to statements made at a Thursday press conference by Mikhail Titov, retired general and member of the political council of the National Salvation Front [NSF]. The press conference was held by the executive committee of the All-Army Officers' Assembly (VOS). He said that those at the meeting had been considering "a doctrine for suppressing the opposition." "Commanders simply do not meet like that at night," emphasized Titov. In his opinion, active preparations are being made for "a governmental coup." This is borne witness by Boris Yeltsin's recent statement that in the event the Congress refuses to accept his suggestion on a constitutional agreement, it may be necessary to put a "a certain option" into action.

Colonel Stanislav Terekhov, the leader of the Union of Officers, an organization which is part of the National Salvation Front, said that he thought a presidential decree introducing a state of emergency and direct presidential rule was being prepared. Titov added that he had information which he could not document, but which proved that there was an order for the ministry of defense to establish special military formations based at the ministries of defense and internal affairs for the purpose of carrying out "police functions" against the people.

If the decree on a state of emergency is signed, "this same president and his circle will put themselves outside the law, and it will be the president's last act," said Terekhov. He is convinced that in such a case, events will unfold as they did in August 1991, but on the contrary, the act on a state coup will not be realized, and no such coup will happen, since it will not be supported by a large part of the population.

The VOS, said Terekhov, nevertheless hopes events will transpire peacefully: the Congress will announce the impeachment of the president, and executive and legislative branch elections will be held this summer.

Rutskoy Says CIS To Form Bloc 'Sooner or Later'

OW0403155993 Moscow INTERFAX in English 1434 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Russian Vice-President Aleksandr Rutskoy has expressed the opinion that sooner or later, the republics of the former USSR will join in a confederation, "since nobody has really won anything from the total collapse of the Soviet Union." He also noted that the establishment of a new confederation need not be accomplished by force, but on the basis of free will.

Rutskoy emphasized that the CIS is not the final form of the transformation which the former USSR should undergo.

The vice-president granted an interview to journalists accompanying him on his tour abroad, which has already taken him to Malaysia and New Zealand.

Rutskoy pointed out that it could be very useful for Russia to employ ASEAN's experience in uniting states and "humanizing" inter-state relations.

In response to an Interfax correspondent's question, Rutskoy said his "visit to Malaysia was very fruitful." He added that Russia was ready for the broadest possible dialogue with the states of ASEAN.

During his visit to New Zealand, Rutskoy talked with the nation's prime minister, James Bolger, about stimulating trade and economic relations between the two countries. The premier pointed out in response that the former USSR's debt to the business world of New Zealand was holding back the country's entrepreneurs from investing in Russia. Rutskoy promised to take measures to see that this matter was resolved.

Russian Minister of Foreign Economic Relations Sergey Glazyev, for his part, said in an interview with Interfax that "the country has too little hard currency, and debt is a problem for it." This, however, could be fully solved, emphasized the minister, pointing out that partners in New Zealand understood Russia's position. He said that New Zealand was interested in delivering food to Russia.

Rutskoy's next stop will be in Singapore.

Abdulatipov, Shakhray Present Nationalities Policy Concept

PM0403153793 Moscow IZVESTIYA in Russian 2 Mar First Edition 93 p 2

[Sergey Zhigalov and Sergey Chugayev report: "Volga Region and Urals Support Russia's New State Nationalities Policy"]

[Text] Against the background of the steadily worsening political crisis in relations between the two branches of Russian supreme power, special attention is focusing on the well-coordinated work that is still done by these two branches' representatives—R. Abdulatipov, chairman of the Russian Supreme Soviet Soviet of Nationalities, and Russian Government Vice Premier S. Shakhray—in the vitally important sphere of the stabilization of interethnic relations. It seems that the political tandem that is providing guarantees of legislative support for government steps in the matter of solving interethnic problems has proved extremely effective.

The latest confirmation of this was a conference held by Abdulatipov and Shakhray in Samara 27 February. Representatives of the organs of the executive and legislative branches of the seven republics, 12 oblasts, and one autonomous okrug in the Volga Region and the Urals took part in the conference. The principal difference between this event and those held previously—for example, a similar conference in Kislovodsk—is that maybe for the first time the Abdulatipov-Shakhray tandem did not appear in the role of a fire brigade arriving at a hot spot in order to extinguish a conflict. The aim of the visit to this largely peaceful region was to work on the long term. In other words, now is not too soon to start talking about the fact that a normal state nationalities policy concept has been elaborated in Russia and has begun to be systematically implemented.

This policy's essence can be briefly summarized in Shakhray's words: "The center must play the role not of a commander but of an auxiliary force." The new policy's aim is to create a regional mechanism for the self-regulation of interethnic relations.

Many speeches by conference participants served to illustrate how difficult it is to create such a mechanism. Most questions concerned the separation of powers between the federal power organs and the Federation's members. However, on the whole the conference participants supported the new concept of a Russian state nationalities policy, which was expressed in the appeal adopted to the peoples of Russia, couched in an exclusively peace-loving spirit.

The draft declaration "On the Principles of Interethnic Relations in the Volga Region and the Urals" was also supported. Apart from points on the equality of all peoples, respect for territorial integrity, and protection of ethnic minorities' rights, it contains a proposal that the Russian Government and parliament elaborate the statute of a coordinating council of the republics, oblasts, and autonomous okrug in the Volga Region and the Urals. It was proposed to form a regional center of the State Committee for Nationalities Questions in Samara. It is proposed that the center should play the chief role in the elaboration of a regional program of national revival of peoples in the Volga Region and the Urals.

Shumeyko Chairs Meeting of Government Presidium

OW0403144393 Moscow INTERFAX in English 1431 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] At a session on Thursday the presidium of the Russian Government chaired by Vice-Premier Vladimir Shumeyko dropped from the agenda the draft government resolutions and presidential decree on benefits to the oil, gas and energy industries.

The draft of the presidential decree worked out by the Fuel and Energy Ministry suggested freeing oil and gas producing and refining companies controlled by the government from the obligatory sale of 50% of the foreign currency they make by exporting oil, gas condensate and oil products. Under the draft resolution, oil and gas exports as well as imports of equipment for the energy industry would be freed from customs tariffs.

In Shumeyko's opinion the approach contradicts earlier government decisions fundamentally revising the policy on benefits. Neither does it take into account all the possible consequences, such as the exchange rate of the ruble.

Vice-Premier Aleksandr Shokhin said that the mechanism proposed by the ministry runs counter to "the principle of offering benefits and credits for specific programs" and is "too cushy".

Fuel and Energy Minister Yuriy Shafranik said that for many years, the annual need of his industry for imported equipment and materials has been $4.5 Bn [billion]. Last year the industry received only $3.4 Bn and this year, according to the minister, the industry will receive a total of less than $1.5 Bn. The minister claimed that the only way out of the crisis in the industry lies in benefits for purchasing equipment necessary to maintain production levels.

Shumeyko recognized the necessity of efforts to stabilize the industry and suggested holding a separate session on the issue on Thursday or Friday. He suggested that the group to work out concrete decisions should include Vice-Premiers Georgiy Khizha and Aleksandr Shokhin, ministers Vasiliy Barchuk, Andrey Nechayev, Sergey Glazyev, Yuriy Shafranik and the chairman of the Central Bank Viktor Gerashchenko.

Vladimir Shumeyko said that on Friday cabinet members should meet President Yeltsin to discuss current matters.

On Thursday, the Presidium of Russia's Council of Ministers discussed a draft presidential decree on the "state rights of Russian citizens to participate in privatization." The document was presented by Vice-Prime Minister and Head of the State Property Committee Anatoliy Chubais.

According to the draft, the rights of Russian citizens (both those employed by enterprises and those not employed in the manufacturing sector) to acquire state and municipal property are guaranteed by a sufficient supply of privatized property and shares in denationalized enterprises for sale in exchange for privatization vouchers.

In view of the above, a proposed minimum 29% of shares in all joint stock companies set up under the procedure for restructuring state enterprises would be sold at voucher auctions not later than two months after ownership is transferred. At least 80% of the value of objects being privatized must be sold for privatization vouchers.

Vice-Prime Minister Georgiy Khizha was in favor of the management of privatized property by state structures. Transport Minister Viktor Yefimov pointed out that he could not guarantee state safety levels at privatized transport enterprises. Yuriy Glukhikh, the head of the State Committee for Defense Industries, considered that special regulations on privatization were necessary for the military industrial complex. Therefore Vice-Premier Sergey Shakhray proposed that the Ministry of Justice, the government's legal department and the president's state judicial department draw up a special law. The law would be based on the example of world practice of state regulation and economic management and would grant the Council of Ministers judicial rights and guarantees which carried weight in economic processes.

The draft presidential decree will, after a proposal by First Vice-Premier Vladimir Shumeyko, be reviewed within one week.

The cabinet's presidium also discussed a draft temporary resolution on licensing regulations for the exploitation of natural resources. The document plans dual licensing for exploiting Russian underground resources. This document, which applies to a number of provisions in the federative treaty, will be agreed and discussed with subjects of the federation.

The presidium accepted without discussion a proposal by Promstroibank that debts of 2652.3 Mn [million] rubles in loans made upon order from the former Soviet government to ministries and departments be paid back.

Economic Issues

Soviet Assets in Government Credits Said To Be $12 Billion

OW0503010593 Moscow INTERFAX in English 2005 GMT 4 Mar 93

["Cover Story" from 5 March "Business Report"; first paragraph is INTERFAX introduction; following item transmitted via KYODO]

[Text] The Vnesheconombank, the agent in charge of the former Soviet Union's foreign debt, said that as of January 1, 1993 foreign nations owed the former Soviet Union on government credits $18.5 Bn [billion] and 83.5 Bn rubles (which may be converted into dollars at the former official rate of 0.57 rubles/$1). The former Soviet Union's estimated real assets are $12 Bn.

Vnesheconombank experts said Russia can collect this sum over the next 12-20 years only in the form of goods or if Russia grants new credits for the export of Russian raw materials and equipment to these nations.

If Russia or other successors to the USSR are able to sell a portion of the debts on the secondary market, real assets may be increased by $2-5 Bn.

ASSETS LESS THAN FORMER SOVIET DEBT TO EAST EUROPEAN NATIONS

Former socialist nations owe the former USSR $1 Bn and 47 Bn rubles. Most of this, 41.4 Bn rubles (88%) and a quarter of a billion dollars (40%) is owed by Cuba, Mongolia, Vietnam, North Korea, and Laos. Vnesheconombank experts said there is "little probability" these debts will be repaid. Russia is unable to estimate the dollar value of these debts, since it has not reached an agreement on a rate to convert so-called "transfer rubles" (the clearing currency of former CEMA nations) into dollars or other currency.

Vnesheconombank experts said Russia can expect to receive only a portion of these debts, and any payment made on debts to the former Soviet Union are likely to take the form of goods, with a large portion of the debts written of, extensive deferments, and a special rate in converting the transferable rubles into freely convertible currency, etc.

East block nations and China owe the former Soviet Union 5.6 Bn rubles and $0.6 Bn, however, these nations granted the Soviet Union credits of 2.9 Bn rubles and $3.6 Bn. The former USSR owes these nations 14.2 Bn rubles and $6.3 Bn in goods. Thus, the Soviet Union owes East block nations and China 11.5 Bn rubles and $9.3 Bn.

MOST "THIRD WORLD" DEBTS TO USSR HOPELESS

The Vnesheconombank said developing nations owe the former USSR 36.5 Bn rubles and $17.5 Bn. However, only one half of the ruble debt, 16.4 Bn rubles (44.9%) and a quarter of the hard currency debts, $4.3 Bn, are owed by Afghanistan, Ethiopia, Yemen, Angola, Nicaragua, Mozambique, and others, which have not paid on these debts for several years. Vnesheconombank experts pointed out that "these debts are hopeless."

A total of 8.7 Bn rubles (23.8%) and $12.5 Bn (71.4%) in credits were granted nations which have either made partial or very insignificant payments on these debts (Syria, Algiers, etc.), or have temporarily suspended payments (Iraq, Libya). These nations can pay a portion of their debts to the former Soviet Union in the long run but only if new credits are granted. The bank said these nations will also demand that a large portion of military debts, representing 95% of total debts, be written off.

Vnesheconombank said only a few nations are "reliable" debtors, among them India, Egypt, Indonesia, Pakistan, Turkey, and Jordan. Their total debts to the former Soviet Union are 11.4 Bn rubles and $0.7 Bn, roughly $12 Bn. However, during President Boris Yeltsin's visit to India an agreement was signed reducing India's debts by 30%.

These nations make virtually all payments in goods (nearly $1.3 Bn in 1992) and only a small portion of last year's payments were made in hard currency (less than $0.2 Bn, with these payments made almost exclusively by Indonesia and Jordan). However, even these "regular debtors" had outstanding debts of $0.6 Bn as of January 1, 1993.

SALE OF SOVIET DEBTS BRING RUSSIA NOTHING

Vnesheconombank experts said Russia and other successors to the Soviet Union will most likely be unable to sell the debts to the former Soviet Union on the world secondary credit market. Even if these debts could be sold, they would bring very low profits.

Firstly, in order to sell these debts Russia must have the consent of debtor nations to pay another creditor, agree upon a rate at which the ruble debt will be converted into hard currency, and the liabilities of debtor nations must be restructured into bank letters of credit and securities.

Secondly, if agreements can be reached with debtor nations, Russia will not receive a respectable sum by selling these debts on the secondary market. The American Salomon Brothers said the debts of major debtors (Cuba, Mongolia, Vietnam, Syria, Afghanistan, etc) are quoted on the world market at an average of 20% above par value. Vnesheconombank experts said financial companies operating on the secondary market appraise the debts to the former Soviet Union far below market quotations, since most of these debts are for military shipments (which debtor nations insist be written off).

Although Russia tried to sell the debts of a number of nations during 1991-92, Vnesheconombank data shows that "not one even almost significant deal was completed."

Citizens' Participation in Privatization Guaranteed

LD0403150193 Moscow ITAR-TASS in English 1443 GMT 4 Mar 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow March 4 TASS—Not less than 29 per cent of shares of all joint-stock companies being set up on the basis of state enterprises are subject to sale exclusively at voucher auctions not later than within the two-month term since the moment of transformation. This provision is envisaged by the draft presidential decree "on the state guarantees of the Russian citizens' rights to participation in the privatization drive". The Presidium of the Russian Council of Ministers approved the tidied-up document today.

The adoption of decisions on privatisation envisaging the payment with privatisation cheques less than 80 pert cent of the cost of the acquired objects of privatisation is not allowed, the document points out.

In submitting the draft decree, Deputy Prime Minister Anatoliy Chubays voiced confidence that the document "will provide an impetus to expediting privatisation already today irrespective of when the Supreme Soviet will endorse a privatisation programme for 1993."

Ensuring the enough supply of the privatised property and shares of the privatised enterprises for sale for privatisation vouchers will protect the right of Russian citizens (both working at enterprises and those not employed in the production sphere) to privatise state and municipal property.

The draft decree stipulates that trade, public catering and service enterprises are subject to mandatory privatisation irrespective of their departmental ownership before August 1, 1993.

During the discussion of the draft decree, several ministers raised as a matter of urgency the issue that the state actually loses the levers of the management of huge enterprises and complexes which are changing the form of ownership.

On the proposal of Deputy Prime Minister Sergey Shakhray, it was decided to elaborate within the month-term a bill on state management which could return to the government the levers of the management of the national economy in which the share of state property is being significantly reduced.

Moscow Takes Measures To Increase Oil Production

OW0403175893 Moscow INTERFAX in English 1705 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Russian Prime Minister Viktor Chernomyrdin on Monday [1 March] signed two government resolutions aimed to raise the country's oil output. One of these provides for additional export quotas to oil producers to cover the cost of imports of equipment and materials as well as western consultancy in resuscitating the idle oil wells. The quota spread over 1993-1995 is tax-free.

An estimated 32,000 wells are now idle leading to more than 30 million tons of oil in lost production annually.

The other resolution grants a further 12-month extension to last year's resolution which allows the fuel and energy ministry's to raise its own fund to help finance the sector.

The measure is part of a package of seven government resolutions to develop Russia's oil- and- gas producing complex. Some of the papers have been approved, while others are still under discussion. Senior cabinet members meeting on Thursday delayed until later a draft resolution on lift customs duty on part of the oil exports.

Fuel, Energy Minister Shafranik Interviewed

PM0403140793 Moscow ROSSIYSKAYA GAZETA in Russian 2 Mar 93 first Edition pp 1, 3

[Interview with Yuriy Shafranik, minister of fuel and energy, by Vitaliy Kovalenko; place and date not stated: "Behind Us Is Devastation. There Is Nowhere To Retreat"—first paragraph is introduction]

[Text] Yuriy Shafranik has been a minister for a little over a month, but he has already managed to gain a reputation as an optimist—mainly because at his two press conferences he has persistently reiterated that the fuel and energy complex which he heads is now at a turning point. We have long been dreaming of a turning point and one might say have grown tired of waiting, looking to see signs of it, and suddenly there comes this statement. In addition it seems to contradict the figures: Last year oil extraction fell 13.7 percent and the forecast for this year is a 12 percent decline. So when I had the opportunity to be the first journalist to get an interview with Yuriy Shafranik, I began our talk with this optimism: Where does the minister draw it from?

[Shafranik] It is like war—there is nowhere to retreat, there is devastation behind us—complete and irreversible devastation. There are two things without which a person cannot survive—bread and heat—and heating is already strained to the limit. But if you look more deeply not only at the figures for the decline but also at investments and if you consider that in recent years we have commissioned virtually no new mines, pits, or deposits but have merely consumed what had been laid in earlier, you cannot help concluding that the time allocated to thought, to choosing the path, when we could be diverted from procuring our daily bread, that time has ended.

I shall cite just one example. This year we predict a decline of 40 million tonnes for oil. But that is if we begin to take emergency steps right now. But if we spend another year sitting idly then we shall lose 60 million tonnes. In other words next year there will only be enough oil for domestic Russian consumption. But the fuel and energy complex represents 60 percent of our hard currency. And those who have already experienced the energy crisis—it is only just beginning in Russia—understand that very well. It was from the Armenians that I first heard that people are prepared to pay any money—at world prices or any other prices—for bread and heat.

[Kovalenko] Yuriy Konstantinovich, I know that you are in favor of releasing prices for energy carriers. But that means inevitable hyperinflation and consequently the collapse of the economy. So will we meet what we are fleeing?

[Shafranik] For some reason everyone sees inflation from one side—from the viewpoint of prices and wages. There is another side: In a period of inflation investments are close to nothing. And that seems to me far more dangerous. No one will deny that it is a hard life when you have to get accustomed to new prices every week. But it is tolerable if there is something to buy. But if you have not invested in production for years then it begins to wind down and goods start to disappear. Which is what we are seeing: Coal extraction has slipped from 416 million tonnes to 328 million. Now 3 trillion rubles in capital investments are needed to boost the sector. And there is no way out: Either you freeze or you find the money. That is why I believe that in curing inflation we should emphasize investments and the restoration of production.

Unfortunately, the disease has been terribly neglected. It began back under Ryzhkov—when everyone except the fuel and energy complex began to be released from the state order. But what does a tractor plant do under those conditions? It halves the number of tractors not covered

by the state order and doubles the prices for them. As a result the same result is obtained with half the expenditure.

[Kovalenko] A monopoly style of behavior.

[Shafranik] Monopoly or selfish—what you call it is not that important. It is important that this style has traveled widely across the country. And hand in hand with a reduction in investments. The chase after ready "real" money has literally become an epidemic.

[Kovalenko] But last year's liberalization definitively emancipated these processes... A curious chain reaction is being set up: If the reforms go back to Ryzhkov their thrust comes down to the weakening of the state and its loss of the ability to control the national economy. And the result is that Gaydar introduced nothing qualitatively new to that trend but merely accelerated it. But then the way out of the crisis should be sought in a completely different direction—in the state's acquisition of the ability to control the economy. On the basis of different methods, of course.

[Shafranik] The main blunder of last year's reforms, in my view, consists in the fact that market mechanisms—effective systems of taxation, customs duties, quotas, tariffs, and credits—were not introduced at the same time as the liberalization. These mechanisms are lacking to this day and as a result the enterprises have been thrown into a market swimming pool which they have forgotten to fill with water.

[Kovalenko] But after all these mechanisms have just one task—to prevent people from obtaining what they have not earned. And here is what is important: No one but the state needs them. Only the state is objectively interested in ensuring that all society and not individual representatives of society grows rich. The whole question is how to switch on these mechanisms.

[Shafranik] I do not see special problems here. After all, we used to control before. I agree the result was not very good but at any rate we knew how each enterprise worked and why it was working well or badly. But now everything has been left to go its own way. But if there are two oilfields, one rich and one poor, you cannot levy the same taxes from both. You must take the superprofit from the rich oilfield, it has not been earned. Or take the problem of the use of capacities: One enterprises has reached its planned mark, the other has not gone halfway but the same terms have been created for both. You cannot do it that way, you must encourage those who really are working well and give them additional quotas, preferential credits, and more lenient rates. But for that, naturally, you must not dispel the ministries but strengthen them and primarily their economic services and invest them with the necessary powers.

[Kovalenko] Yuriy Konstantinovich, after all we seem to be turning away from the market, in the opposite direction?

[Shafranik] But where are we now—in the market, or have we not yet reached it? No one can say precisely. One thing is clear: We are on a path, at a transitional stage, and we must consequently act extremely pragmatically. If a specific mechanism works and produces a profit then we shall adopt it, if it does not work, we discard it.

There are undoubted and, I hope, irreversible gains from the reform. First, as a minister and as a representative of the state it is a matter of utter indifference to me at what kind of enterprise—state, private, or mixed—oil or coal has been extracted. I am interested that the output should be on the surface and expenditure should be minimal. If we are speaking on the more general plane then in my view the overwhelming majority of Russians today have a calm attitude toward high incomes. But only if they have really been earned. And the assessments as to whether incomes are honest or unfair must be put down in writing by the state organs and the entire complex of market mechanisms must be linked to them. For that these organs must be strengthened and their staffers well paid and their prestige raised. If, of course, they cope with the task.

But that is only one aspect of the matter. The second aspect is connected with the formation of enterprises which are capable of keeping afloat on their own. Today the overwhelming majority of enterprises are not ready for that if only because they are producing intermediate output which is not usually taken out onto the market. I do not mention economic and legal structuring. So we have no embarked on structural restructuring. In oil, for instance, we propose to form five large concerns, including in them extraction, refining, and sales. They will be a powerful oil backbone for the country creating a competitive environment on the domestic market and to keep going on the foreign market. Similar processes are under way in other sectors, taking into consideration their specific features, of course.

[Kovalenko] But where is the money actually to be taken? The trillions in investments without which neither the ministry nor the enterprises, however well they may work, can warm the country. To all appearances you intend to get them by raising prices?

[Shafranik] Not only by raising prices, although I will have to release prices. But it is necessary to have a good idea of two problems connected with this. Of today's price for gasoline only one fourth goes to those who extracted the oil and processed it into gasoline. Crudely speaking, if the state were to renounce its 70 percent then today's price would be quite enough for the oil workers. I realize that you cannot have such a simplified approach—this money is used through the budget to finance pensions, defense, and other needs. But as for new establishments then this quit recent must be lifted from them. Or there will be no investments.

The second problem is connected with determining effectiveness. If a law on bankruptcy were to be introduced today then 75 percent of oil enterprises, I do not even mention coal enterprises, would have to be closed.

[Kovalenko] And that when on the objective scale of world prices they are most effective? Recently in our newspaper scientists from the Central Economico-Mathematical Institute proved that of the $200 billion in profit which the Russian national economy ensured in 1991 $130 billion were accounted for by the fuel and energy complex.

[Shafranik] That is the point. Our internal scale of prices so distorts the picture that agriculture turns out to be profitable while the oil industry seems to be running at a loss. And although everyone realizes that in reality it is all the other way round, they are in no hurry to invest money in bankrupts, and are cautious in issuing credits—in brief, the selfsamee market mechanisms we were talking about are beginning to work in the opposite direction. And that is perhaps the main reason compelling us to release prices for energy carriers. We must finally break the distorting mirror of internal prices and obtain an objective picture of who is working at a profit and who at a loss. And if we need to preserve a specific production facility that is running at a loss then that means that targeted subsidies for targeted projects must be channeled into it. Without that we will not have a real market and no structural advances will begin.

[Kovalenko] And according to your calculations what will be the result if prices are released, will we have sufficient funds to restore the sectors?

[Shafranik] We have not made such calculations—it is all "ifs." I can merely refer to the energy crisis of the seventies. In the United States at the time the country's entire economy was working for power engineering. I think a similar period awaits us. Furthermore, there is somewhere we can take away from. The energy-intensiveness of production is three times higher in our country than in the developed countries. And enterprises are continuing to overindulge: Last year, with a 20 percent decline in industry energy consumption fell only 6-7 percent. We must put an end to this feasting in time of plague: We must establish tough quotas and let anything above them be paid for at higher prices—the difference will go toward investments in the fuel and energy complex.

[Kovalenko] But enterprises will include these fines in the price of their output and ultimately it is still ordinary customers who will have to pay.

[Shafranik] In our ministry we have already created an administration which should engage in analyzing the various factors which influence prices and should develop countermeasures. Preliminary calculations show that by introducing market mechanisms on the basis solely of our proposals it is possible to bring down the pace of inflation by at least 20 percent.

[Kovalenko] And what is your attitude toward foreign investments?

[Shafranik] It is natural. In the very near future we will probably start to enlist them not only the development of neglected boreholes but also to new enterprises. In March-April in particular it is planned to put out the Khanty-Mansiysk field will be put out for the first international tender.

But we link the main source of revenue with our immediate neighbors. A meetings of heads of government of the CIS countries is now taking place in SUrgut. To judge by the preliminary work with vice premiers and ministers, an agreement should be signed on the coordination of efforts aimed at halting the decline, primarily in oil extraction. Essentially that is a first step attesting to a realistic assessment of the place which the fuel and energy complex occupies in the economy of Russia and nearby foreign parts. But I am sure it is not the last step.

Media Issues

Fedotov Appeals to Press To Observe Professional Ethics

LD0503094493 Moscow ITAR-TASS World Service in Russian 0652 GMT 5 Feb 93

["An Appeal From the Russian Ministry of Information and the Press to Journalists and the Heads of the Mass Media"—ITAR-TASS headline]

[Text] [No dateline as received] The acute political situation that has formed in Russia is extremely painful, but an indisputable fact. It seems evident that, at this difficult time for the fatherland, the role of every honest journalist is to seek ways to overcome the crisis, to transfer the conflict into the channels of civilized discussion, in order to aid the stabilization of society.

But it is not this concern at all which motivates those journalists who use their professional rights to spread disinformation in order to whip up social tension, provoke civil sedition, and circulate rumor, slander, and insults. They are terrifying the country, which needs calm and reasonableness like it needs air, with apocalyptical pictures and calling for the axe, while falsely reviling the legal bodies of authority as "criminal" and "occupying."

At the same time, Article 35 of the Russian Federation Constitution, the decision of the Sixth Congress of Russian Federation People's Deputies on accountability for discrediting the bodies of state authority by spreading deliberately false information, the RSFSR criminal code, and the law on the mass media are being ignored. As a result, and no matter how regrettable, the press is ever more frequently becoming the object of attention of the procuracy and the courts.

In the heat of verbal battle, journalists and the people to whom they offer a podium in newspapers, magazines,

and television and radio programs without any constraint go beyond the elementary norms of decency and outside the limits of normative vocabulary. But the abolition of censorship does not mean the freedom to unprintable abuse, which remains nothing else but trivial hooliganism. "Truth loses nothing," the prominent Russian lawyer A.F. Koni said, "in the absence of abuse and cursing, but the dignity of the press wins, for one must not, when showing society the painful parts of its life, at the same time reduce its development and turn its education backward, by teaching it the commonplace use of rude and abusive expressions, which usually describe just the irritation of the speaker rather than the qualities of the abused."

As high is the civil vocation of the journalist, so high is his responsibility to his readers, viewers, and listeners, to society as a whole for the quality of his work, for the observation of the norms of professional ethics, and for respect for the requirements of law. In Russia, the culture of freedom of the press is only just forming, and it is necessary to do everything so that the costs of the growth of an independent press do not slow down the return of the fatherland to the bosom of world civilization, or demean the honor and dignity of the people and peoples inhabiting it.

[Signed] M. Fedotov, Russian minister of the press and information

Media Representatives Discuss Referendum

MK0403104493 Moscow NEZAVISIMAYA GAZETA in Russian 4 Mar 93 p 2

[Report by Indira Dunayeva: "Media and Political Pluralism. Parties, Unions, and Organizations Confer"]

[Text] A consultative conference of representatives of parties, public organizations, and trade and creative unions was held yesterday on the theme "Media freedom and media interaction with the public." The conference discussed a possible mechanism for implementing political pluralism in the media, questions of media interaction with the public, and observance of the law on the media. According to the majority of speakers, democrats are unfairly accused of "ruling the roost in television," whereas in fact it is "crawling with members of the right-wing opposition." The Russian prosecutor's office was accused of failing to supervise observance of media laws. Yuriy Chernichenko believes that in so doing the current authorities are contributing to their own downfall and remind one of someone sentenced to be hanged who is greasing the rope himself. "If you want to write about a conspiracy between the Jews and Freemasons, go ahead. But then you will find yourselves in jail or in debtor's prison."

V. Bragin, chairman of the "Ostankino" radio and television company, said that he would try to represent a variety of viewpoints in a balanced way. He announced his intention to set up a consultative council at "Ostankino" made up of representatives of parties, public organizations, and creative unions.

The conference also discussed preparations for the referendum. Sergey Filatov, head of the president's administration, who was at the conference, warned the participants of the danger that the president will end up like the queen of England if legislative authority continues to strengthen at the expense of executive authority. He announced that if the referendum is canceled by the congress the president will hold a plebiscite on 11 April in the form of an all-Russian poll. The conference participants adopted a statement announcing the formation of a political committee for a referendum in the center and in the provinces.

New Ostankino Chief Bragin Talks to Journalists

PM0403161193 Moscow IZVESTIYA in Russian 3 Mar 93 p 2

[Valeriy Turovskiy report: "Vyacheslav Bragin Supports Pluralism and Opposes the Commercialization of the Air Waves: New Chairman of 'Ostankino' Has Held First Press Conference for Foreign and Russian Journalists"]

[Text] As expected, this meeting, which took place on 2 March and lasted a little over an hour, provided no clarity on the agonizing creative, technical, and economic processes which are now in evidence at "Ostankino."

Perhaps in his first six weeks in his new post, Vyacheslav Bragin has not had time to examine this unfamiliar sphere in sufficient detail, although the 20-minute report that he read out could easily have been summarized as meaning that things at "Ostankino" are proceeding not just badly but very badly.

V. Bragin drew a number of colorful comparison describing the situation at "Ostankino" in the following terms. First, "Ostankino" reminds its chairman of someone whose hands, legs, and head are working independently of one another. And second, in his view this skillful and talented TV company is like a ship whose progress is "hampered by a attachment of mussels and all sorts of dross."

The chairman said that television should be not for the people but should become of the people. "We still have too few materials about workers, farmers, and the intelligentsia and we do not see enough of the Russian Orthodox Church and other faiths on the screen. Journalists are often afraid to leave the area bounded by the Sadovoye Koltso [i.e. to venture beyond central Moscow]. There are very many reports from the armed ethnic conflict zones and this distresses the viewers. There must be objective reporting on the activity of the most diverse parties and movements and really clearly expressed pluralism. The commercialization of the air waves is an independent destructive element in the work of television..."

V. Bragin sees the solution to this situation in "calm, thoughtful, long-term work aimed at preserving the prestige of "Ostankino," in structural changes, and in reducing the dependence on budget appropriations. "We must make 'Ostankino' a profitable, revenue-generating company."

"At all levels the vital decisions must be made by professionals and all decisions must be made in the studios."

During the press conference, of course, there was a question on the recent resignation of Igor Malashenko, first deputy chairman of the "Ostankino" Russian Television and Radio Company. V. Bragin refused to provide any evidence of financial abuses at the company but read out a long document on the results of an audit carried out recently by the Russian Finance Ministry's Control and Auditing Administration which mentions cars, apartments, and millions of rubles and dollars. It was not made clear whether these facts will be investigated.

There was a question from a NEZAVISIMAYA GAZETA correspondent citing V. Bragin's interview for ITAR-TASS in which said among other things that "we annoyed the pro-Gorbachev, anti-president team and stopped them causing the kind of trouble that they were causing here." The "Ostankino" chairman replied that he does not retract his words but said them in a private conversation with a journalist and did not give permission for them to be published.

Judging by the tone and intonation of the press conference, the new boss of "Ostankino" is hopeful that he will manage to steer his ship and his crew into open waters. "I hope I am wrong that the company is experiencing a sense of hopelessness," "Ostankino's" sixth captain in the last six years said.

Military Issues

Border Troops Commander Details Problems

LD0403182493 Moscow ITAR-TASS in English 1702 GMT 4 Mar 93

[By ITAR-TASS correspondent Pavel Ovchinnikov]

[Text] Moscow March 4 TASS—Often Russian border guards do their service in conditions approximated to real combat, Russian Border Troops commander Vladimir Shlyakhtin, said.

Speaking at a news conference in Moscow on Thursday, Shlyakhtin said Russian border guards participated in 52 border clashes in 1992 and detained 7,000 intruders.

The emergence of independent states after the collapse of the Soviet Union has brought about scores of problems. The shortage of time in providing border troops with equipment does not allow for establishing an efficient infrastructure on some sections of the states border, Shlyakhtin said.

Speaking about a recent trip to Central Asian republics, including Kazakhstan, by Russian Security Minister Viktor Barannikov, Shlyakhtin said the sides signed an agreement on cooperation between the Russian and Kazakh border troops in protecting external frontiers. The commander said Russia will have "transparent" borders with Belarus and Kazakhstan.

In Tajikistan, the Russian delegation met with the Tajik leadership to discuss the situation in the republic and on its borders. Tajik forces are unable to check the illegal flow of drugs, arms and groups of militants from neighbouring Afghanistan into the republic. The Tajik Government is taking measures to establish its own border troops, but this is a long process and to carry it out, the republic will need Russian help, the commander stressed. "On Tajikistan's external borders we defend Russia's interests," Shlyakhtin said.

He stressed that one of the problems facing Russian border troops is the shortage of personnel, as well as drafting problems. He noted that the problem could be partially solved by engaging cossack units to guard the borders. At present there are 14 such units in russia. This is a big force, Shlyakhtin said.

On behalf of the command of the Russian border troops, he pledged assistance to cossacks in getting them admitted to military schools. After graduation they could set up whole units to guard the border, Shlyakhtin said.

Weapons Development Programs Set Through 2000

LD0503042693 Moscow Radio Rossii Network in Russian 0200 GMT 5 Mar 93

[Text] Russia has preserved its capability of producing super- complex arms systems, however, the situation in the defense industry can be stabilized only through state order financing. This was stated on Thursday in St. Petersburg by Deputy Defense Minister Andrey Kokoshin at a meeting with the command of the Leningrad military district. He noted that the military department has already determined the main programs for weapons development up to the year 2000.

Supreme Soviet

Reports From Groznyy on Plot To Remove Khasbulatov

LD0503114493 Moscow Mayak Radio Network in Russian 1100 GMT 5 Mar 93

[Text] According to reports from Groznyy, in the course of the next 10 days, certain members of the Russian Constitutional Court, as well as Deputy Prime Minister Sergey Shakhray and Nikolay Ryabov, deputy speaker of

the Russian parliament, are allegedly—I quote—intending to compel Ruslan Khasbulatov to resign or remove him by forceful means.

An ITAR-TASS correspondent has learned from reliable resources that this information is the latest action of certain circles in Chechnya. This move is an attempt to exert pressure on public opinion in Chechnya before the referendum that has been declared.

Parliament Spends 2 Days Discussing Date for Congress

'Russian Unity' Wants 17 Mar Congress

OW0403151593 Moscow INTERFAX in English 1432 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Leaders of the Russian Unity opposition parliamentary alliance, Ilya Konstantinov and Vladimir Isakov, proposed that the extraordinary congress of people's deputies be held on March 17.

Commenting on the report by Vice-Chairman of the Russian parliament Nikolay Ryabov, Ilya Konstantinov suggested that early parliamentary and presidential elections be held simultaneously, in December 1993 or in the spring of 1994. He said that the crisis of authority would be growing whether or not the referendum were held. If the congress fails to settle the crisis constitutionally, "the crisis will be settled bypassing the deputies and the constitution", he argued.

Deputy Mikhail Chelnokov, who represents the Russian Unity alliance, urged the deputies not to resist the idea of referendum. He proposed, however, that the referendum should concentrate on the problem of confidence in the president and the congress.

Aleksey Surkov, a leader of the parliamentary coalition of reforms, noted that the congress must deal exclusively with the drafting of a constitutional agreement. This, he said, will help find a way out of the current critical political situation.

This idea was supported by Chairman of the Committee for International Affairs and Foreign Economic Relations, Yevgeniy Ambartsumov, who said that the referendum may only aggravate the split in society.

Ambartsumov believes that preference should be given to the constitutional agreement and that the president-proposed variant should be considered. He also suggested that representatives of the parliament join the working group.

Deputies Want 24 Mar Congress

OW0403204193 Moscow INTERFAX in English 1959 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Russia's Supreme Soviet is going to propose that President Yeltsin, jointly with the parliament, convene the extraordinary congress of people's deputies on March 24. This proposal is contained in the draft resolution of the Supreme Soviet prepared by chairman of the parliamentary commission for international affairs Yevgeniy Ambartsumov, executive secretary of the constitutional commission Oleg Rumyantsev, and people's deputy Vladimir Polosin. The draft, which was circulated in Moscow Thursday [4 March] night, will be addressed by the parliament session on Friday, March 5. The Supreme Soviet failed to decide on the date for the extraordinary congress throughout its Thursday session.

The document contains an appeal to the RF [Russian Federation] president to propose to the congress a "joint legislative initiative" in regards to amending some of the provisions of the resolution "On Stabilization of Constitutional System of the Russian Federation," adopted by the 7th congress of people's deputies.

The document also envisages a formation of a parliamentary working group for "working out, in cooperation with the president, a draft agenda for the congress, its procedures, and draft resolutions." The commission, according to the proposal should include parliament speaker Ruslan Khasbulatov, his deputy Nikolay Ryabov, chairman of the parliamentary legislative committee Mikhail Mitiukov, Oleg Rumyantsev, Yevgeniy Ambartsumov, Vladimir Polosin, as well representatives of various parliamentary factions, such as Vladimir Isakov, Igor Muraviyev, Viktor Sheynis, and Vladimir Novikov.

Deputies Fail To Agree on Date 4 Mar

LD0403153293 Moscow ITAR-TASS in English 1525 GMT 4 Mar 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow March 4 TASS—The Russian parliament lacked the necessary number of votes on Thursday [4 March] to pass a decision on convening an extraordinary Congress of People's Deputies in March. However, the issue will be again discussed tommorow, according to parliament speaker Ruslan Khasbulatov.

40 per cent of lawmakers voted to convene the Congress while 10 per cent were against. The rest abstained.

Parliament Reaches Decision 5 Mar

LD0503074893 Moscow ITAR-TASS in English 0742 GMT 5 Mar 93

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow March 5 TASS—The Russian parliament today decided to convene the eighth meeting of the Congress of People's Deputies (supreme legislature) on Wednesday, March 10.

The decision was adopted by a majority vote at today's joint session of the two chambers of the Russian bicameral parliament.

The congress is expected to deal with the power and constitutional crisis in the country.

Deputy Yushenkov on Agenda

OW0503115893 Moscow INTERFAX in English 1137 GMT 5 Mar 93

[Following item transmitted via KYODO]

[Text] Deputy chairman of the Federal Information Center, deputy Sergey Yushenkov, has said that the date for opening the Congress of People's Deputies - March 10 - was agreed on earlier and satisfies most members of the president's team.

Referring to views among the Russian president's entourage, Yushenkov told an INTERFAX correspondent in the lobby of parliament that the congress' agenda should have two more items: on constitutional agreement and on carrying out the resolution of the 7th Congress of People's Deputies to stabilize the balance of powers. According to Yushenkov, if there is "yes" vote on the first item, the second will become obsolete and will not be put to vote. If the first item is deadlocked, the resolution of the 7th congress will have to be debated article by article. If so, believes Yushenkov, the congress should approve the questions for the referendum on April 11.

If people at the referendum vote for the need of early parliamentary and presidential elections, the head of state is prepared to carry out their will, said Sergey Yushenkov.

Parliament Invites Yeltsin To Explain Statements

OW0403172693 Moscow INTERFAX in English 1650 GMT 4 Mar 93

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—following item transmitted via KYODO]

[Text] Boris Yeltsin has been invited to attend Friday's [5 March] session of parliament. He has been requested to explain recent statements that he had new proposals to make in the event the March Congress cancels the referendum and rejects the head of state's constitutional accord.

IF Note: Yeltsin said on Tuesday at a meeting with members of Democratic Choice that he had, in addition to new proposals, a "final option" which he hoped he would not have cause to offer. The next day in the Kremlin the president stressed at a meeting with a women's delegation that his pre-congressional consultations were an effort to prevent any extreme situations from arising. "Peace must be established. No extreme measures must be taken," he said.

The president's desire to avoid extreme measures has been linked by experts to his readiness for extended dialogue with political movements, including with parliament, before the Congress begins. Another indicator for the above is the fact that Yeltsin had authorized his chief of administration Sergey Filatov to make working contact with Communists of Russia and other fractions belonging to the Russian Unity opposition bloc in parliament. The bloc accounts for around 300 of the 1040 Russian people's deputies. The purpose of Filatov's talks will be to asses the likelihood of a meeting taking place between the bloc's leaders and representatives and the president in the near future. Gennadiy Sayenko, one of the Communists of Russia leaders, suggested that the agenda for talks with the president could include the economy, Russia's foreign policy priorities, staffing issues and forms and methods for bringing the country out of crisis.

The majority of Yeltsin's traditional allies, however, consider that the president resorting to extreme options if the Congress opposes him would be to no avail. Yevgeniy Kozhokin, for example, from Reform Coalition (which includes over 200 deputies) believes "the president no longer has the constitutional ability to dissolve the Congress and parliament." He was of the view that the president lacked the support in the nation needed to make any kind of "non-constitutional undertaking." Yeltsin's Reform Coalition allies are suggesting that the president instead agrees to simultaneous early elections which, in their opinion, could resolve the conflict between legislative and executive power.

IF Note: Experts consider that the Congress could decide the latter issue as the Russian Unity fraction is also in favor.

Anatoliy Sliva, the deputy head of the president's Legal Department and a member of the working committee for the referendum, told Interfax the following when asked what Yeltsin could do if the conservatives were victorious at the Congress: "The president may issue decrees, use his legislative power and act in any way provided for by the present constitution. For example, the president last year was compelled to declare a state of emergency in North Ossetia. Within twenty-four hours he referred his declaration to parliament as the constitution requires."

Yeltsin May Attend Session Later

LD0503091293 Moscow ITAR-TASS World Service in Russian 0820 GMT 5 Mar 93

[Report by ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow, 5 Mar—Yuriy Yarov, deputy chairman of the Council of Ministers and representative of the president of Russia, told parliament today that Boris Yeltsin has been outside Moscow since this morning, in

connection with the visit of President Mauno Koivisto of Finland, and therefore cannot attend the Supreme Soviet.

To recap, yesterday members of parliament invited the president of Russia to take part in the Supreme Soviet session. Yuriy Yarov nevertheless made it clear that Boris Yeltsin's appearance was not excluded, but would depend on whether his work schedule for the day would permit it.

Having decided to convene the eighth, extraordinary, Congress, and having set the date for it—10 March—the Supreme Soviet postponed examining the proposed agenda for the forum until this afternoon. Parliament instructed the Congress organizing working group, headed by Nikolay Ryabov, to sum up deputies' proposals regarding the Congress agenda, and to submit their deliberations later for discussion by members of parliament.

Commission Chair Rejects Yeltsin Plan for Power Division

LD0503102693 Moscow ITAR-TASS World Service in Russian 0923 GMT 5 Mar 93

[Report by ITAR-TASS parliamentary correspondent Yuriy Filippov]

[Text] Moscow, 5 Mar—This morning Nikolay Ryabov, the chairman of the Supreme Soviet conciliation commission, has delivered a report at a joint session of the chambers of the Russian parliament; it contains an analysis of the president's draft agreement between the federal bodies of power.

Agreement between executive and legislative powers could be reached before the adoption of a new Constitution, Nikolay Ryabov said, but, in the form proposed by the presidential side, it is unacceptable. According to the chairman of the conciliation commission, the draft agreement, submitted by the president, is "an aggregate of demands to the Supreme Soviet and the entire system of representative power, which should opt for a considerable reduction in its powers and, in fact, lose its independence." As a result, Nikolay Ryabov noted, the balance of powers would be upset significantly and this, according to him, runs contrary to the decisions of the Seventh Congress of Russian People's Deputies.

"The present draft agreement," Nikolay Ryabov stressed, "deals not with the stabilization of the Constitutional regime, but with the considerable destruction of it." If the Supreme Soviet adopts it as a basis, it will "sign a death sentence not just on itself, but on the entire system of representative power in Russia, which is coming into being."

Incidentally, Nikolay Ryabov stressed that one should not give up the idea of an agreement between the branches of power. But it is better to form plenipotentiary commissions of representative and executive powers, which could start a consistent and comprehensive talks' process for gradually demarcating the powers of the two branches of power until a new Constitution is adopted.

Shumeyko Says Plan Not Final

LD0503114193 Moscow ITAR-TASS in English 1051 GMT 5 Mar 93

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow March 5 TASS—Responding to sharp criticism of the president's draft agreement between the two branches of power locked in close combat at present, Vladimir Shumeyko, who represents the Russian president at today's plenary session of the parliament, said the presidential draft agreement "had never been viewed as final" and called for the working groups of the two branches to draw up a joint version for subsequent analysis at a parliament session.

Indeed, according to Shumeyko, who took part in drafting the presidential proposal, the draft discussed in parliament had not even been intended as a constitutional accord, as the media called it, but only as an agreement between the federal bodies of power.

"The two sides—the president and the Supreme Soviet or the congress (standing legislature or its parent supreme legislature)—without taking any powers away from each other and not touching the constitution at all—could agree not to wield some of their powers indicated in the Constitution in favour of the government." This would enable the country to have a year of stabilization. "Let us drop political fistfighting, because the government must work", Shumeyko said. "Every day the government runs against lack of independence for making its decisions," he explained.

"Nobody insists that the draft agreement be viewed as the final document," Shumeyko said. "The only thing desirable today is to hear the parliament decide whether such a document possible or impossible. If it is possible, two working groups—one from the parliament and one from the president—should be instructed to finalize the draft and submit for consideration".

Shumeyko rebuked the parliament for taking too long to discuss the presidential draft. "This time would have sufficed to prepare a joint document of the two working groups and then analyze it at the session," he said.

Further on Shumeyko Remarks

OW0503120093 Moscow INTERFAX in English 1137 GMT 5 Mar 93

[Following item transmitted via KYODO]

[Text] The draft agreement between the federal bodies of the bodies of executive and legislative powers forwarded by the President to the Supreme Soviet "has never been

viewed as final," the First Vice-Premier Vladimir Shumeyko declared at the Parliament's session on Friday [5 March]. In his words, the document's chief goal is to give more leeway to the government, which "regularly finds itself in a situation when it lacks decision-making powers." Mr. Shumeyko offered deputies to decide in principle whether a constitutional agreement is possible or not. In case of the positive decision, he suggested asking working groups of the President and the Supreme Soviet to prepare a document acceptable for both sides. In his opinion, the document should legitimize the Presidential and Supreme Soviet powers, stipulated by the current constitution but refrain from using some powers in the government's favour.

Asked about the Central Bank's subordination, Mr. Shumeyko proposed that "without changing its subordination, the Bank should be under government's efficient control.

Khasbulatov Comments on Executive-Legislative Alliance

OW0503104693 Moscow INTERFAX in English 1026 GMT 5 Mar 93

[Following item transmitted via KYODO]

[Text] Chairman of the Russian parliament Ruslan Khasbulatov stated that one could not miss the chance of establishing cooperation between the representative and executive branches of power. "I'm all for cooperation with the executive bodies," said Khasbulatov. However, it is becoming increasingly more difficult to establish a basis for cooperatation due to the aggressiveness of the executive branch itself, he told deputies on Friday [5 March], summing up the discussion of the president-proposed draft agreement between the two branches of power.

He also said that an alliance between the executive and legislative bodies should not necessarily be sealed in a constitutional agreement. It might just as well be documented in a resolution or a law, adopted by the congress, with corresponding amendments. In this connection, he urged the conciliatory commission to draft a resolution on the issue and proposed that the parliament discuss it at the end of the March 5 session.

Supreme Soviet 4 Mar Proceedings Reported

LD0403144293

[Editorial Report] Moscow Programma Radio Odin Network in Russian at 0830 GMT on 4 March broadcasts a 8-minute report on the proceedings of today's session of the Russian Federation Supreme Soviet by correspondent Olga Vasilenko.

The correspondent begins by noting "the passions that have got hold of the White House at the Krasnaya Presnya embankment." She says that, at a joint session today, the Russian Supreme Soviet is discussing the convocation of the Eighth Congress of People's Deputies. The White House is being picketed, she says, "by a small number of the Working Moscow party and National Salvation Front members." Although only one hour was originally allocated for the debate, that hour has long passed, but the debate is still continuing. The deputies have received a number of documents. One of them is a survey carried out by the sociologists of the parliamentary center on the attitude of Russians toward the referendum. Almost 70 percent of Russians have either no or very little knowledge of the referendum. Generally most Russians believe that the referendum will not be able to alter the alignment of political forces and the situation in the country as a whole, Vasilenko says.

Another document which the deputies have received says that "very many republics within Russia and a number of local soviets have come out against the referendum." The same document mentions that Valeriy Zorkin, head of the Constitutional Court, also publicly spoke in favor of canceling the decision on holding the referendum. Yeltsin, too, said in his public statements that an emergency session of the Congress should be held, the document said. The roundtable has doubts about the desirability of the referendum as well, let alone the appeals made by republics and local soviets.

Vasilenko further adds: "When the agenda was discussed—that debate was rather turbulent—a proposal was made that the president should be invited to the Supreme Soviet. Using sharp words, Deputy Chelnokov says that Yeltsin had been constantly complaining that he could not work with the Congress or the Supreme Soviet, but he has not been here for six months, and he must be invited. A vote was taken on inviting Yeltsin to tomorrow's session. At the same time, Khasbulatov says that yesterday he had a 90-minute meeting with the president, at which he also invited the president to the Supreme Soviet. But the president was very busy, Khasbulatov says.

At that moment in the proceedings, Deputy Baburin complains that although Khasbulatov has regular meetings with the president, deputies know nothing of what is going on at those meetings. The president says that agreement was reached, but then it turns out that they agreed on absolutely nothing. We must know everything, Baburin says.

This provokes the following rejoinder from Ryabov. It was made public by Khasbulatov, who chairs the session: Baburin is off to Iraq independently and yet deputies know absolutely nothing about it, as it were. So not all information has to be made public.

"As the president was invited to pay a visit to the Supreme Soviet, Baburin also proposed that the Constitutional Court should be asked whether the actions of the president accord with the Constitution." Vasilenko adds that this proposal had not passed. "More open views of the president's actions were expressed," Vasilenko says.

"There was a rather heated discussion of the subject, but Ryabov's report, when he spoke on the issue, was very sensible."

Nikolay Timofeyevich Ryabov says, inter alia: "We cannot—and we have no right to—afford any further breakdowns in communication, any more estrangement, let alone confrontation. It would play into the hand of those who mistakenly believe that the worse it gets the better it is. These are the forces which either want our society to go back to the past or the forces which are trying directly to promote Russia's disintegration, regardless of whether they are aware of it. The main thing now is to prevent a further fall in production and to stop the spiral of the hyperinflation that has already begun and the fall in people's standards of living. And at the same time, this must be done without allowing a slowdown in the processes of privatization, auctioning, assertion by regions of their independence, and strengthening of the power of local authorities. All these processes have already begun. Much time has been wasted. Many mistakes have been made, but there will be many more mistakes unless we manage to curb the situation and together bring it under control."

After having played the recording of Ryabov, Vasilenko says that the debate took a sharp turn when Deputy Dzasokhov proposed that factions should get together and work out a joint position on the congress. "This proposal was described by Khasbulatov as a classical provocation," Vasilenko says, concluding that the incident exemplifies the turbulent nature of today's debate.

Khasbulatov Addresses Session

LD0503120893 Moscow Russian Television Network in Russian 1813 GMT 4 Mar 93

[Remarks by Supreme Soviet Chairman Ruslan Khasbulatov to the Russian Federation Supreme Soviet in Moscow; on 4 March; from the "At the Supreme Soviet Session" program—recorded]

[Excerpt] [passage omitted] Georgiy Ivanovich [not further identified] would seem to have touched on a very important matter here, one to which I should like to draw your attention: he asks what I talked to the president about yesterday. Well, just imagine, I spent an hour and a half—well, more than an hour, anyway—on explaining to Boris Nikolayevich that we were not the ones who introduced Article 104.

Deputy Minister of Justice Varov and various other jurists still do not seem to have explained to the president that that is one of the few relics of the former Constitution—by which he swore his oath, incidentally, including Article 104. Apparently someone has been persistently suggesting to him that at the Sixth, at the Seventh Congress, we introduced this notorious article, just imagine that! I left yesterday having failed to convince the president that it is a legacy of the self-same Constitution in accordance with which we came to our present positions in 1990. [loud noise among deputies] This is no laughing matter, you know! Someone is quite deliberately prompting and fostering hostility in the president, suggesting that we are out to cause harm.

You will remember my position on this article. Ever since the Second Congress, I have consistently tried to convince people that it is at variance with the principle of the division of powers, and have proposed repealing it, but I had no success in that direction. Had it not been for this concentrated attack, I reckon we would have managed to remove it at the Seventh Congress. But it is unlikely to be expedient to do this now, I've changed my mind over this article, because in a situation where the supreme authority changes its thinking on a specific issue three times a day, there must be some stabilizing factor, and no matter how rude people are about the Congress—which I am just as worried about as everyone else—the Congress itself is nevertheless becoming a stabilizing factor in society. Intermission for 30 minutes!

Deputies Want End to Dispute With Yeltsin

LD0403143093 Moscow ITAR-TASS in English 1415 GMT 4 Mar 93

[By ITAR-TASS parliamentary correspondent Yuriy Filippov]

[Text] Moscow March 4 TASS—An influential Russian lawmaker called on the parliament on Thursday [4 March] to "stop pulling the tug-of-war and look for understanding with the president". However, hard-line legislators seemed to remain irreconcilable.

Yevgeniy Ambartsumov, chairman of the parliamentary Committee on International Affairs, said legislators and the president have common interests. He added that in the situation of the economic crisis the planned referendum may further aggravate the split in society.

The reconciliation theme was echoed by Yevgeniy Sergeyev who called on the colleagues to refrain from conflicts in solving disputes with the president. "Only he wins who gains an ally", he said.

Hard-line deputies, however, continued to attack the president. Mikhail Chesnokov from the "Civic Unity" group accused Boris Yeltsin of failure to abide by the constitution and demanded that the Congress of People's Deputies considers the question of confidence to the president. He believes the planned referendum should deal with the issue of confidence to the president and the supreme legislature, rather than with a new constitution.

Vladimir Isakov and Ilya Konstantinov, two representatives of the "Russian Unity" hard line group joined the attacks on the president. Konstantinov accused Boris Yeltsin of trying to increase his powers at the expense of legislative authority.

Radical democrat Aleksey Surkov immediately fired back. He said the presidency in Russia is attacked because it does not allow hard-line lawmakers to concentrate all power in their own hands.

"We know why the struggle is going on and it is not because of Yeltsin. The institution of presidency, of independent executive authority impedes conservative forces to return all power to soviets", Surkov said.

Observers noted, however, that the reconciliation theme was more often voiced in parliament on Thursday compared to previous days.

'Russian Unity' Wants Security Meeting Notes

OW0403172993 Moscow INTERFAX in English 1651 GMT 4 Mar 93

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—following item transmitted via KYODO]

[Text] Parliament on Thursday [4 March] approved a proposal by Sergey Baburin, one of the leaders of Russian Unity, to request short hand reports of both the meeting of the Security Council which took place on March 3 and his personal meeting with the commanders of military regions. He also said that talks between Boris Yeltsin and Parliament Speaker Ruslan Khasbulatov must not take place "without parliament's knowledge."

The speaker in turn accused Baburin of being oversuspicious and went into details about his one and an half hour meeting with Yeltsin yesterday evening. He said that he had taken great pains to convince the president that Article 104 (the Congress is the supreme power body in Russia-IF [INTERFAX] note) had been introduced not by the current Congress (the article was approved by the parliament of the RSFSR in 1985-IF note).

Security Meeting Viewed

OW0403145193 Moscow INTERFAX in English 1432 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Russian Federation Security Council Chairman Yuriy Skokov, speaking on Thursday [4 March] in response to parliamentarians' requests for information about the council's 3 March meeting, said that it had been planned. Skokov also said that Chairman Yevgeniy Ambartsumov of the parliament's Committee for International Affairs and its Committee on Foreign Economic Relations and Sergey Stepashin, chairman of the Committee on Questions of Defense and Security, had participated in the meeting.

Skokov noted that the council's agenda for the meeting included only two questions: The main provisions of Russia's current foreign policy and its military doctrine. "No other questions were discussed, and no resolutions were passed," said the secretary.

The previous day, rumors of a military coup in the making had circulated in Moscow in connection with the arrival of military commanders in the capital for the council session. On Thursday, the parliament passed a resolution demanding a transcript of the session and another of the subsequent meeting between the president, the leadership of the ministry of defense, and the general staff of the armed forces. During the discussion, parliament head Ruslan Khasbulatov expressed dissatisfaction with having been excluded from the Security Council's work.

Skokov confirmed that the Security Council had approved the main provisions of a foreign policy and, having taken into account the various opinions expressed, directed its Interdepartmental Foreign Policy Commission to be more specific about certain points in the document. A report on the basis of foreign policy will be prepared for the Supreme Council, said Skokov.

He also reported that the Security Council had considered it essential to submit the main provisions of the military doctrine to the supreme commanders of the armed forces for their examination. The defense ministry was assigned the task of organizing, within two weeks, a discussion of the political bases of military doctrine in the corresponding military councils; they would then be expected to notify the Security Council of their reactions.

Skokov said that he was expecting by 20 March to be provided with documents on the technical aspects of Russian military doctrine. Skokov said that they would then be sent to the Security Council for consideration, and subsequently to the Supreme Council.

'Workers' Moscow' Movement Pickets

LD0403120193 Moscow ITAR-TASS World Service in Russian 0921 GMT 4 Mar 93

[By ITAR-TASS correspondent Vladimir Shevel]

[Text] Moscow, 4 Mar—Several dozen demonstrators picketed the Russian parliament building, on the embankment of the Moscow River, between 0900 and 1000 today. They paraded slogans in support of Soviets at all levels, demanded a special Congress of Russian People's Deputies, and denounced the "absolute power of the executive authorities." The demonstration was staged by the "Workers' Moscow" movement. Militia personnel report that the pickets conducted themselves calmly and refrained from extremist behavior.

Khasbulatov Concludes Visit to Norway

LD0303170893 Moscow ITAR-TASS World Service in Russian 1227 GMT 3 Mar 93

[By ITAR-TASS correspondent Aleksandr Surikov]

[Text] Helsinki, 3 March—Russian Supreme Soviet Chairman Ruslan Khasbulatov left Oslo for home today at the end of his visit to Norway which he made at the invitation of the Nordic Council. During the three-day visit, the Russian parliament speaker took part in the

session of the Nordic Council which is under way in the Norwegian capital. The Nordic Council was set up over 40 years ago with the aim of coordinating cooperation between the parliaments and governments of Denmark, Iceland, Norway, Finland and Sweden. He also delivered a speech at a meeting with delegates. Khasbulatov met members of the Presidium of this organization and discussed ways of improving interaction between the Russian Supreme Soviet and the CIS Interparliamentary Assembly on the one hand and the Nordic Council on the other. He also had fruitful talks with Norwegian Prime Minister Gro Harlem Brundtland, Foreign Minister Thorvald Stoltenberg, and Acting Speaker of the Storting Kirsti Kolle Grendal.

Supports Relations With Nordic Council

LD0303172393 Moscow Radio Rossii Network in Russian 2000 GMT 3 Mar 93

[Text] We have real prerequisites for establishing relations between the Interparliamentary Assembly of the Commonwealth of Independent States and the Nordic Council. The parliamentarians of Russia and those of the Commonwealth countries seriously intend to carry out active, creative work with Russia's neighbors—this was stated on 2 March by Supreme Soviet Chairman Ruslan Khasbulatov, who spoke at the 42d session of the Nordic Council under way in Oslo. The Nordic Council is an organization that coordinates cooperation of the parliaments and governments of Denmark, Iceland, Norway, Finland, and Sweden. Ruslan Khasbulatov spoke out for the setting up—jointly with the Secretariat of the Nordic Council, the Interparliamentary Assembly, and the Russian parliament—of a common group of experts for the examination of practical issues of cooperation in northern Europe.

Prime Ministers Do Not Attend Speech

PM0403141593 Moscow IZVESTIYA in Russian 4 Mar 93 First Edition p 2

[Aleksandr Sychev report: "Swedish and Danish Prime Ministers Not Present at Russian Speaker's Speech in Nordic Council"]

[Text] Ruslan Khasbulatov, chairman of the Russian Federation Supreme Soviet, has taken part in the work of the 42d session of the Nordic Council—a consultative organ coordinating cooperation between the parliaments and governments of Denmark, Iceland, Norway, Finland, and Sweden.

The speaker of the Russian parliament was invited to Oslo, where the session is being held, by I. Suominen, chairman of the Finnish Parliament who is presiding over the Nordic Council for one year. However, he failed to warn other participants in the meeting about the invitation sent to their Russian colleague, and this aroused their dissatisfaction.

As we know, Swedish Prime Minister C. Bildt objected to Khasbulatov's arrival at the session and tried to block it. At a press conference on the eve of the sitting's opening he declared his intention not to attend during Khasbulatov's speech. AP reported that Bildt carried out his threat. His example was followed by Danish Prime Minister P. Nyrup Rasmussen. Furthermore, the representatives of many youth parties from the countries of Northern Europe made an ostentatious departure from the session hall in the Norwegian Storting (parliament).

In his short speech, Khasbulatov noted that the CIS Interparliamentary Assembly is passing through a formative stage, and it still has much to do in order to create a logical structure of interparliamentary links and collaboration with the governments of Commonwealth countries. In this sense, he said, the experience gained by the Nordic Council is very useful.

Khasbulatov spoke in favor of establishing permanent links between the Commonwealth Interparliamentary Assembly, the Russian parliament, and the Nordic Council, which could ultimately be enshrined in an agreement on cooperation. "This would add a real 'Eastern dimension' to the Nordic Council's sphere of activity," he declared. The Russian speaker advocated forming a united expert group to work through practical aspects of collaboration in the north of Europe, which would take due account of the interests of cooperation in the regions of the Baltic and Barents Seas as well.

Explaining the reasons for Russia's domestic tension, R. Khasbulatov said that the Russian parliament is evolving rapidly into a normal parliament with the legislative and monitoring functions traditional to democratic countries, which is not to the liking of all higher executive power representatives.

Agencies report that, at a press conference in Oslo, Khasbulatov confirmed the existence of a power struggle between the two branches of power. Answering journalists' questions on the possibility of introducing presidential rule in the country, he declared that this contradicts the Constitution. Khasbulatov does not fear the referendum scheduled for April, although, in his view, it cannot be conducted in current conditions.

Western news agencies also noted that Khasbulatov has urged the West not to bank on personalities, even on people like Yeltsin, but to support the state structures. "We in Russia do not need Western leaders to pat some of our leaders on the back, and to say which of them is right and which is not."

Presence Causes 'Major Friction' in Oslo

PM0403114793 Moscow IZVESTIYA in Russian 3 Mar 93 First Edition p 3

[Marat Zubko report: "Polemics Over R. Khasbulatov's Presence in Oslo"]

[Text] Oslo—There was major friction at the Nordic Council session in Oslo over the Russian parliamentary speaker's participation in the session, newspapers in Norway, Sweden, Denmark, Finland, and Iceland reported Tuesday.

The point is that R. Khasbulatov's arrival, the press asserts, was largely a surprise both to the prime ministers and to the majority of parliamentarians taking part in the session. It has become known that the Russian guest was invited to Oslo by I. Suominen, speaker of the Finnish parliament, during R. Khasbulatov's visit to Helsinki last week.

I. Suominen was entitled to issue the invitation since he was chairman of the Nordic Council at that time (he stands down at the present session). The whole problem, however, is that the other countries were not notified of this move in good time.

Sweden's DAGENS NYHETER reports that Swedish Prime Minister Carl Bildt tried to prevent Khasbulatov from coming but was too late. At a press conference in Oslo C. Bildt recalled that he had met with the chairman of the Russian Supreme Soviet in Moscow recently. Their conversation had left an unpleasant impression on the premier because the speaker had made him listen to criticism of President B. Yeltsin, whom he considers a defender of democracy in Russia.

This approach by the speaker to the conversation with the head of government of another country was regarded by the Swedish side as a breach of diplomatic etiquette. Whether for this reason or another, the Swedish premier stated that he may not be in the Norwegian parliamentary hall during Khasbulatov's speech.

C. Bildt, who chaired the first session, stated that the Nordic Council's main task this year will be to coordinate the talks between Finland, Sweden, and Norway and Brussels on those states' membership of the EC.

Parliament Begins START II Hearings 2 Mar

PM0503110593 Moscow IZVESTIYA in Russian 5 Mar 93 First Edition p 4

[Article by Stanislav Kondrashov: "Tough Choice of the Times"]

[Text] On 2 March, two months after Boris Yeltsin and George Bush signed the START II Treaty, parliamentary hearings began in Moscow's White House on its ratification. It is believed that they will last at least two months with intervals in the order of two weeks. It is intended to subject the treaty to the most comprehensive analysis possible with the participation of all departments involved and of every kind of expert and even the U.S. Senate, which has been sent a request for cooperation.

Delivering the report, Foreign Minister Andrey Kozyrev immediately ruled out "a priori agreement or disagreement" with the treaty and, as may easily be guessed, almost immediately proved to be right. On the first day of the hearings the defense of the treaty was businesslike and unexcited and criticism was quite calm. Both sides, as is always the case, appealed for a sense of realism, but from different ends, each with a different understanding of the pressure of circumstances which Russia now feels.

The Foreign Ministry and Defense Ministry, represented by Colonel General Mikhail Kolesnikov, chief of General Staff, presented a unified front in defense of the treaty. They were opposed by critics from the people's deputies. The day of limbering up showed that the opposition recognizes the idea of far-reaching nuclear reductions but believes that in its present form the treaty does not accord with Russia's national interests, deprives it of parity with the Americans and of great-power status, and from the viewpoint of economic expenditure on nuclear armament means, as Boris Tarasov, a representative of the "Russian Unity" bloc, put it, "a return to the era of exhausting superprojects." His forecast of "hundreds of trillions of rubles" on the disarmament race is fantastic but it is obvious that the question of expense will be a key one at the hearings and the president and government will have to provide thorough assessments and commitments.

Bringing the critics down to earth, the chief of General Staff advised them not to ask "whether there is life on Mars" when a "catastrophe" prepared by the Supreme Soviet is advancing on the Russian Armed Forces. By the fall the borders will be undefended, there will be no one to guard nuclear establishments, and 0.5 million Russian prisoners will escape because the convoy troops will have disappeared if the law "on military service obligation and military service" comes into force, whereby, the chief of General Staff believes, only 6 percent of the total number of young men of draft age will be drafted twice a year.

Also with a view to bringing the critics down to earth General Kolesnikov seized on the question, touched on by Kozyrev, of the "ambivalent position" of Ukraine, which is in no hurry to fulfill the commitments made by President Kravchuk on advancing toward nonnuclear status. He said that Russia, the only nuclear heir to the Soviet Union, "has virtually lost control" over the security of over 1,000 nuclear warheads in Ukraine and that the level of their gamma radiation is now 1,000 times greater than the Russian level.

This is, inter alia, an argument in favor of the treaty, which decides the problem of Ukraine's nuclear status by abolishing nuclear weapons on its territory and giving the United States the incentive to restrain and not rouse (as Kozyrev put it) Ukraine's possible nuclear ambitions.

Of course, the general argument in favor of the treaty is the end to the era of global confrontation and the emergence of a new dynamic of partnership with the West. The alternative would be unilateral nuclear disarmament or, even worse, a return to nuclear confrontation. But the general argument is too general. Answering

accusations of haste in drafting the START II Treaty, the Russian foreign minister, for all his usual reluctance to mention his Soviet predecessors, stressed that it is "90 percent based" on the START I Treaty signed by Gorbachev and Bush in the summer of 1991. Delaying the new treaty would also block "the new agenda" with President Clinton's administration. As we know, this agenda was outlined in rough form in Geneva with Secretary of State Christopher and obviously will determine the framework for the two presidents' April meeting.

Among the critics were Iona Andronov, deputy chairman of the Supreme Soviet committee for international affairs, and Andrey Golovin, head of the Change-New Policy centrist faction. Deputy Vitaliy Sevastyanov saw in the treaty "an economic burden round the country's neck for the next 10 years."" Nikolay Ryabov, who chaired the first session, rightly noted that so far (everyone is to blame!) there are no specific elaborations of the Russian Federation's nuclear military policy which would bring together three essentials—the reduction of nuclear weapons, their existence as a key element of deterrence, and the maintenance of the regime of their nonproliferation.

Not without wit and sense is the argument of Nikolay Pavlov, from the ranks of the "intransigents," about the postcommunist syndrome of Russian diplomacy—"doing what it did before but completely the other way round." On that plane he accused the Foreign Ministry of the "Utopian" nature of its idea of the prospects of partnership with America. Well, starry-eyed idealism is as much a characteristic of Russian liberals as pragmatism is of Americans... both liberal and conservative. And life is quick to teach lessons curing us of it one way or another. Something else is also clear: Our conservatives—and they are not alone—are mentally submerged in our recent superpower past and that too gives rise to illusions, although of a different kind, while today's realities of complete collapse dictate a tough choice of the least of many evils.

For instance, they pine over the heavy multiple warheaded SS-18 ballistic missiles, which were the main component of the Russian nuclear triad and which, under the treaty, are subject to destruction. An inescapable yearning: How much was put into those missiles! But after all the "breaking" of the triad's structure must nonetheless take place—with the treaty or without it—since the guaranteed useful life of these missiles expires in 10 years. And is their modification necessary and within the powers of the new Russia?

The first day of the hearings revealed the weakness of the critics. They displayed no specific alternative counterprograms or even amendments, whose introduction the START II Treaty does allow.

Among the military experts who spoke Lieutenant General Ananiy Politsyn, who has served most of his career in the missile forces, made an impression. By 2003, when the treaty's commitments should be fulfilled, he announced, of 10 types of missile systems Russia will have only two left—the others will have become outdated and it is impossible to "freeze" them, to preserve them, not destroying them for economy's sake. The general announced that under the new conditions when creating new combat systems it is with great difficulty that we achieve the cooperation of 500-600 enterprises, whereas before it was possible to put tens of thousands in action.

And so, without claiming the status of a nuclear superpower, Russia must remain a great nuclear power, since that is essential for its security and for acquiring a new place in the world. In that sense it is entirely possible to find a majority agreement, both in society and in parliament. It is harder but no less essential to combine this postulate with another—cut your coat according to your cloth. Officials and experts will obviously have to do a lot of work at the parliamentary hearings to prove that it is here that the level of 3,000-3,500 strategic offensive nuclear warheads allowed by the treaty applies.

Supreme Soviet Appeal on Yugoslavia Published

PM0503113793 Moscow ROSSIYSKAYA GAZETA in Russian 27 Feb 93 First Edition p 7

["Appeal of the Russian Federation Supreme Soviet to the Parliaments of Republics Formed on the Territory of the Former SFRY and to the World Community," dated 18 February 1993]

[Text] The Supreme Soviet notes with gratification that the Geneva conference on settling the conflict in Bosnia and Hercegovina has demonstrated the possibility of resolving it by peaceful political means. The most important task at the present time is to not lose this opportunity to find a way out of the crisis situation. With this aim, the Supreme Soviet calls on all sides in the Bosnian conflict to adopt the settlement plan proposed by C. Vance and D. Owen, cochairmen of the Geneva talks. For its part, Russia is prepared to take part in international efforts to implement this plan in practical terms.

The Supreme Soviet notes that the measures to settle the conflict adopted earlier proved ineffective and did not put an end to the bloodshed. This is largely due to the biased and unobjective assessments of events in Yugoslavia made by certain countries.

The Supreme Soviet calls on the parliaments of all republics formed on the territory of the former SFRY and their political forces to support the settlement of the conflict by means of talks accompanied by the complete cessation of hostilities, whose chief results are the suffering and death of the civilian population, the growing number of refugees, and the destruction of material and cultural assets. In accordance with the decisions of the UN Security Council, the Supreme Soviet calls on the international community to continue to refrain from supplying weapons to the conflict zone and from military intervention, regardless of motivation.

Mindful of Croatia's aggressive actions in Serbian Krajina in violation of previously reached international agreements, and also mindful of the support for the Geneva peace settlement plan declared by the leadership of Yugoslavia, in order to promote the negotiating process, and with the aim of strengthening the positions of the supporters of peace, the Supreme Soviet deems it expedient for the Russian Federation Government to submit to the UN Security Council proposals to introduce sanctions against Croatia and to ease sanctions against Yugoslavia, and subsequently to repeal them.

The Russian Federation Supreme Soviet calls on the parliaments of all interested countries to actively help overcome armed conflicts.

[Signed] Russian Federation Supreme Soviet

[Dated] Moscow, House of Russian Soviets, 18 February 1993

No. 4514-I

Decree on Sanctions Against Yugoslavia

PM0503113193 Moscow ROSSIYSKAYA GAZETA in Russian 27 Feb 93 First Edition p 7

[Decree No. 4513-I of the Russian Federation Supreme Soviet "On the Yugoslav Conflict," dated 18 February 1993 and signed by R.I. Khasbulatov, chairman of the Russian Federation Supreme Soviet]

[Text] Having discussed the situation on the territory of the former Yugoslavia in connection with the continuation of hostilities by Croatia and the exacerbation of the conflict,

the Russian Federation Supreme Soviet **decrees:**

To instruct the Russian Federation Government:

1. To raise at the UN Security Council the question of easing sanctions against Yugoslavia and implementing sanctions against Croatia. If the implementation of sanctions against Croatia is not supported, to raise at the UN Security Council the question of the repeal of sanctions against Yugoslavia.

2. To inform the Russian Federation Supreme Soviet before 1 March 1993 of the implementation of Point 2 of the Russian Federation Supreme Soviet decree dated 17 December 1992 "On the Attitude of the Russian Federation Toward the Yugoslav Conflict."

[Signed] R.I. Khasbulatov, chairman of the Russian Federation Supreme Soviet

[Dated] Moscow, House of Russian Soviets, 18 February 1993

No. 4513-I

Regional Affairs

Chechen Spokesman Blames Russia for London Murders

MK0403105293 Moscow KOMMERSANT-DAILY in Russian 1 Mar 93 p 14

[Report by Rapid Information Department: "Chechnya Trying To Get Own Currency and Passports Issued. Adviser to Dzhokhar Dudayev Killed in London"]

[Text] An investigation began in London yesterday into the killing of two Chechens, whose bodies were found on 1 March in two private apartments in different parts of the city. According to news agency reports, the victims were found to be carrying a large sum of money—1 million pounds sterling. But the most interesting aspect of the case is not the large sum of money, but the identity of one of the dead men and why he was in London. Movladi Udugov, Chechnya press and information minister, told a KOMMERSANT correspondent that one of the murdered men was Ruslan Utsiyev, Chechnya President Dzhokhar Dudayev's adviser on foreign economic affairs, who was in Britain on a special mission. The mission was to conclude contracts for the printing of Chechen currency and passports.

Movladi Udugov, Chechnya press and information minister, set out the Chechnya leadership's official position in conversation with a KOMMERSANT correspondent: Russian special services were involved in the killing of the president's adviser. He said that the killing was merely an episode in Russia's anti-Chechen campaign. According to him, it ranks alongside the recent blowing up of the Kislovodsk-Baku train on Chechen territory. According to Mr. Udugov, "the investigation established that the bomb had been planted in Mineralnyye Vody. The attempt to deport Chechens from Rostov Oblast and the introduction of a curfew in Sudzhanskiy and Malgobekskiy Rayons (rayons in Ingushetia bordering on Chechnya), and even the attack on Ruslan Khasbulatov, are all links in the same chain. The purpose of these actions is to intimidate the Chechnya leadership."

Mr. Udugov refused to confirm or deny reports that 1 million pounds sterling had been found on the murdered Chechens, but he did say that the talks involving Utsiyev on the printing of currency and passports had been successful, albeit difficult. He also announced that Chechnya representatives were to fly to London on the evening of 3 March to examine the situation on the spot.

Representatives of the Russian authorities, including the Russian Security Ministry and External Intelligence Service, declined to comment, citing lack of information.

Boris Malakhov, press attache at the Russian Embassy in Britain, told a KOMMERSANT correspondent that, according to the British press, Scotland Yard yesterday arrested two people suspected of the murders. According to the media, they were not Russians, but Armenians, living in the London suburbs—Nrtich Mrtorosyan and

Gagik Ter-Oganesyan. Mr. Malakhov did not rule out the possibility of the suspects' being British citizens. According to him, the British press reports that the victims had been in London since December 1992, living in style: in a fine house that had recently been expensively furnished (to the tune of 90,000 pounds sterling). The report that 1 million pounds had been found on the dead men cannot as yet be regarded as entirely reliable: The police are declining to comment on the amount, while some papers deny that the dead men had this kind of money on them.

It is worth noting that, to all appearances, while living in London, Mr. Utsiyev did not advertise the fact that he held the high post of adviser to President Dudayev—neither the Russian Embassy nor the London press knew about it until yesterday, and Chechnya has not confirmed it officially. All this demonstrates the seriousness of Chechnya's intentions to strengthen its sovereignty by introducing its own currency and passports, indeed a matter of such crucial importance to Chechnya, which is not recognized by Russia and the world community. This matter certainly requires the utmost confidentiality.

KOMMERSANT will report on developments concerning these murders in tomorrow's issue.

Chechen Agents Depart for London

OW0403162393 Moscow INTERFAX in English 1437 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] On Thursday [4 March] a group of Chechnya's Foreign and Security Ministries employees departed for London to learn the circumstances of the murders of the presidential adviser on foreign economic relations, Ruslan Utsyev, and his brother in London.

Officials in Groznyy have not explained why Ustyev was in Great Britain. However, there is a version that they went there to discuss the production of Chechen passports, money, and postage stamps.

Groznyy accuses the Russian special services of killing the two Chechens. However, the two persons detained in London and suspected of murder are Armenians by origin.

Chechen Assembly Adopts Referendum Law

LD0503040793 Moscow ITAR-TASS World Service in Russian 1905 GMT 4 Mar 93

[By CHECHENPRESS for TASS]

[Text] Groznyy, 4 March—The parliament of the Chechen Republic has adopted a referendum law. Any questions concerning problems of the republic's political life may be put to a referendum; however, this excludes questions on the status and territorial integrity of the Chechen Republic. The decision to hold a referendum may be adopted by a two-thirds parliamentary vote, by the president, or by the expression of the will of 10 percent of the republic's population. "From now on we will have a legal foundation on the basis of which we will be able to hold national votes," noted Bek Mezhidov, deputy chairman of parliament, in connection with this.

Paper Outlines Main Opposition to Chechen President

AU0403130293 Tbilisi SVOBODNAYA GRUZIYA in Russian 20 Feb 93 p 3

[Article by IPRINDA correspondents Konstantin Rizhamadze, Nikolay Mamulashvili: "The Chechen Opposition: 'Who's Who?'"]

[Text] As early as 1992, a large number of parties and sociopolitical movements of various types and hues were registered in the Republic of Chechnya. However, the majority of them at that time, confining themselves to registration, having only a set of rules and very few supporters, and not engaging in any political activity, practically had no influence upon political life in the republic.

However, this does not mean that there is no opposition to or opponents of Dzhokhar Dudayev's government. Three of the most solid sociopolitical movements still represent a fairly serious force and are trying in one way or another to influence the course being pursued by the present Chechen government.

One of the most influential opposition movements is "Daymokhk" ("Fatherland"), whose backbone is formed of representatives of the intelligentsia of the Republic of Chechnya. "Daymokhk" believes that Dudayev came to power by force and that the presidential elections were, in general, unconstitutional and accompanied by gross violations. At the same time, representatives of "Daymokhk" show total solidarity with the foreign policy course being pursued by Dudayev, particularly regarding mutual relations with Russia.

Let's say a few words about another sociopolitical movement "Marsho" ("Freedom") under the leadership of the former party functionary Abdula Bugayev, who occupied the position of chairman for interethnic relations "under the communists." Consequently, it is basically former communists and officials who occupied high posts that have united around "Marsho." Bugayev himself is a native of Nadterechnyy rayon in Chechnya and it is only thanks to his clan (teypovyy) [as published] relations, which have been preserved to this day in the republic, that his movement has a huge number of supporters just in this rayon of Chechnya.

The course pursued by the leadership of "Marsho" is pro-Russian; its leaders favor the establishment of close relations with Russia and, according to information

from various independent sources, maintain close contacts with Ruslan Khasbulatov, chairman of the present Russian Parliament.

The last member of the troika is the sociopolitical movement "Yso" ("Justice") under the leadership of Leche Saligov. According to many observers, "Yso's" fundamental core is made up of people who were passed over during the distribution of ministerial portfolios under Dzhokhar Dudayev and also those who sought high posts but who failed to get them. "Yso's" leaders are counting on Russia, calculating that, in this way, they will finally establish themselves and, subsequently, come to power in the republic; they are urging Russia not to grant any kind of aid to Chechnya, first and foremost economic aid, thereby hoping that the republic will be placed in an even more complex situation.

However, the one thing that unites these three sociopolitical movements that are in opposition to the present Chechen government and, given their different views and standpoints on these and other questions, is their demand for the resignation of President Dzhokhar Dudayev who, as certain experts believe, in spite of the numerous problems facing the Republic of Chechnya today, continues to remain popular among a large part of the Chechen people.

Ingush Head Rejects Power of Delegation to Ossetia Talks

LD0503095693 Moscow Programma Radio Odin Network in Russian 0830 GMT 5 Mar 93

[Text] Ruslan Aushev, the president of Ingushetia, has said that he does not recognize the powers of the Ingush delegation that is currently holding talks in North Ossetia. According to the new president's statement, his first step following inauguration will be to abolish all the structures of the provisional administration.

North Caucasian Council To Mediate Ossestia Dispute

LD0403210393 Moscow ITAR-TASS in English 1901 GMT 4 Mar 93

[By ITAR-TASS correspondent Nikolay Styazhkin]

[Text] Kislovodsk March 4 TASS—Ingushetia and North Ossetia unanimously agreed to ask the North Caucasian Council, which unites leaders of southern Russian regions, to mediate peace between them, according to an appeal adopted at the three day-talks on the conflict in North Ossetia and Ingushetia which ended here on Thursday [4 March].

The appeal was adopted at a closed-door meeting, but TASS learned from relaible sources that the parties agreed that the prestige of the council may serve as a guarantee of practical implemetation of already reached agreements and will help find new approaches remaining problems, including that of refugees.

North Ossetia and Ingushetia, as well as Daghestan and Stavropol region of Russia, which acted as mediators at the talks, also called for an Ossetian-Ingush summit which will help stabilise the situation and resolve the conflict.

The next meeting of the delegations will be held in Kislovodsk in several days.

Kuzbass Favors Referendum if State Power Law Not Adopted

LD0503091793 Moscow ITAR-TASS in English 0743 GMT 5 Mar 93

[By ITAR-TASS correspondent Grigoriy Shalakin]

[Text] Kemerovo (Western Siberia) March 5 TASS—Democratic reform supporters of Kuzbass (a large coal producing region in Western Siberia) are in favour of a powerful executive power, and holding referendum in case the planned Congress of People's Deputies in Moscow does not adopt the state power law, a statement issued by the Council of Democratic Reforms in Kemerovo today.

The council has also suggested that if a referendum is conducted, voting should be held on two ballot-papers. According to the statement, one ballot-paper should bear questions concerning the supreme representative body of the legislature and the right to put an end to each other's authority by the president of Russia and parliament.

The second ballot-paper should contain two questions: the first, concerning the constitutional assembly, and the second the right of the president of the Russian Federation to conduct a referendum and dissolve the Congress of People's Deputies and Supreme Soviet in case decisions adopted by it run contrary to constitutional principles, the statement said.

TV Journalists Protest Luzhkov 'Censorship'

PM0403164393 Moscow SOVETSKAYA ROSSIYA in Russian 2 Mar 93 p 3

[G. Orekhanova report: "The Dear Things Were Having Fun...."]

[Text] Journalists of the "Moskva" TV company, who only yesterday were living in perfect harmony, so to speak, with the capital's City Hall, are now seriously offended with it (but for how long?) Indeed, offended is not the word—they were indignant! This indignation fizzed over into a hastily convened assembly of the labor collective, attended also by representatives of the capital's City Hall in the person of Bakirov (first deputy mayor) and Braginskiy.

Mayor Luzhkov's emissaries brought to the notice of those assembled that a meeting had been held 23 February at City Hall at which their boss, that is to say,

Moscow Mayor Yu. Luzhkov, expressed profound dissatisfaction with the work of Moscow television, especially as regards coverage of the life of the capital on the eve of 23 February. It was not just a matter of details (why, for example, inflame passions and show beggars in Moscow's subways?), but also of something specific: Why was the press conference held by the mayor on the eve of 23 February, at which, as usual, he explained how well Muscovites are living, not shown on television?...

And the day before there was an angry telegram from Luzhkov, addressed on this subject to leaders of the capital's TV. Here is the text of this telegram: "I ask that you urgently offer an explanation as to why the press conference was not filmed. Luzhkov." The irate mayor in his temper demanded that A. Misan, general director of the "Moskva" TV company, be fired from his post, and also of course, A. Krutov, the author of the "The Russians" program, shown shortly before this.

...The assembly seethed, boiled, and waxed indignant... Speakers expressed dismay at the "loathsome censorship" exercised by Mayor Luzhkov and company over TV programs, in examining, for example, the footage of the "Face the City" program actually during editing, long before it went out on air, and rejecting sometimes up to two-thirds of the footage...

But why in fact wax indignant, and what is there to be surprised at? Had not that same TV Company Director A. Misan cited in his speech at the same assembly the following shocking figures: In the eight months' existence of the TV company as a member of a joint-stock company (cofounder—City Hall, which contravenes the law, a fact of which the prosecutor's office was recently notified), received from City Hall first 50,000, then 17,000, and then another 15 million from Moscow's government... No, not rubles, but 50,000, 17,000, and 15 million dollars! How dare the capital's TV dare, in return for the sort of money other mass media cannot even dream of, not play the required tune? What is there to wax indignant at?

This idea was clearly expressed at the assembly by a news reader well known to all viewers: "Well, you should be ashamed! You all line up for help at the mayor's door, and he never turns anyone away, yet you..."

But the conflict, as was to have been expected, was quickly smoothed over: A. Misan, with whose name the material situation of the firm is connected, was left in his post, and the problems of the "The Russians" program were not even discussed. Surely it could not have been otherwise?

Omsk Plant To Cease Production of Rocket Engines

PM0403150393 Moscow Russian Television Network in Russian 1100 GMT 1 Mar 93

[By L. Mutovkin and V. Parshin from Omsk's "Polet" Aerospace Association; from the "Novosti" newscast]

[Text] [Mutovkin over video of rocket engine assembly shop] This is the shop where liquid-propellant rocket engines for the Energiya-Buran system are assembled. For decades this enterprise was closed to journalists. And only since relatively recently, when the enterprise significantly cut down the production of military output within the framework of conversion, have we been able to show you this footage which, in my opinion, is quite unique. It is unique also because in March, when the final assembly of the engine which you see is completed, production of these engines at Omsk's "Polet" Aerospace Association will completely cease.

A number of questions arise in this connection. Why will the Energiya-Buran engines henceforth be produced at the "Energomash" Plant near Moscow? This means that the finished product will subsequently have to be transported over 2,500 km to the Omsk test rig—the only one of its kind in Russia and the countries of the former USSR. There is no logical answer to this question.

Privatization of St. Petersburg Association Hits Snags

PM0403144993 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 26 Feb 93

[By Sergey Dukhavin and Vladimir Zhuravlev from St. Petersburg's Nevskiy Zavod Production Association; from the "Novosti" newscast]

[Text] [Dukhavin over video of production facilities] The first steps down the road of privatization were taken at the Nevskiy Zavod Association when the government permitted units with a workforce of several hundred people to switch to leaseholding. The process got off the ground, as they say, and soon five leasehold enterprises were operating at the association.

Business is obviously going quite well, otherwise the five directors would not be opposing in unison the establishment of a single Nevskiy Zavod joint-stock company. However, there is no other way, director V.A. Turkin claims with good reason.

Having developed a taste for business, the leasehold enterprises are beginning to dictate their conditions to the parent company. For example, it is necessary to machine the shaft of a turbine whose price has already been agreed with the purchaser. In line with the estimate, the plant offers to pay 50,000 rubles [R] to the workshop for this job. However, the head of the leasehold enterprise replies that they will not lift a finger for less than R100,000, and in the meantime they will carry on producing kettles, which they find advantageous.

It is not known who at the top legalized this manner of privatization. But it is a fact that a vast collective is faced with disintegration as a result. Even though the plant's director remains optimistic for the time being.

[V.A. Turkin, plant director] I think I have a chance to win people over to this idea. I hope that I will gain their support, and that they, in turn, will be able to win their management round.

International Affairs

Tarasyuk Responds to Kozyrev Statements on START

OW0403153093 Moscow INTERFAX in English 1509 GMT 4 Mar 93

[Report by diplomatic correspondents Andrey Borodin, Dmitriy Voskoboynikov, and Igor Porshnev; from the "Diplomatic Panorama" feature—following item transmitted via KYODO]

[Text] On Thursday [4 March] Boris Tarasyuk, Ukraine's deputy Foreign Minister, expressed his disagreement with the point of view of the Russian Foreign Minister Andrey Kozyrev who said that "influential circles in Kiev ambiguously view the START-1 Treaty." In his interview with our Interfax correspondent he said that Ukrainian President Leonid Kravchuk had proposed that the republic's Supreme Soviet ratify the START-1 Treaty and the Lisbon Protocol and join the NPT (Non-Proliferation Treaty). "It is unclear, what ambiguity they are talking about," said the deputy minister.

As it is known, at the parliamentary hearings in the Russian Supreme Soviet on March 3, Andrey Kozyrev spoke of Moscow's growing concern due to Kiev's "ambiguous" attitude towards the START-1 Treaty.

Tarasyuk also rejected another supposition voiced by the Russian Foreign Minister, who was reported saying that Kiev is undertaking "certain steps to establish control over nuclear weapons" stationed on Ukraine's territory. "I do not know what Kozyrev means,—Tarasyuk said. But I can say for sure that we adhere to the position determined by the Presidents of the four "nuclear republics" of the former Soviet Union in their Alma-Ata and Minsk agreements. According to this position, strategic offensive nuclear forces are under operative control of the CIS strategic forces' Joint command. As before, we support this status for the strategic forces stationed on our territory." [quotation marks as received] At the same time Tarasyuk underlined: "Naturally, attempts to change this status make us to seriously assess the status of the nuclear weapons deployed in Ukraine."

He reported that the plenary session of Ukraine's Supreme Soviet could "shortly" consider the START-1 Treaty, however, he rejected the idea of making any prognosis concerning the time of its ratification.

According to Tarasyuk, the ratification process is being aggravated by "the delay" in solving two issues, namely, "on granting security guarantees to Ukraine" and "on mutually acceptable agreements concerning the dismantlement and destruction of nuclear warheads" stationed on Ukrainian territory. Moscow and Kiev have not reached an agreement on these issues, the deputy minister said. "It is quite obvious that they directly influence the adoption of a final decision (on START-1 and NPT—Interfax) by the Ukrainian parliament," he emphasized.

Tarasuyk pointed out that the atmosphere of Russian-Ukrainian relations can also directly influence how the Ukrainian parliament considers START-1 Treaty, and possibly, "even the outcome" of the voting.

Official Blames Government, Russia for Payments 'Crisis'

OW0403155293 Moscow INTERFAX in English 1433 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Ukraine's Vice-Premier Viktor Pynzenyk said during a press conference in Kiev that Ukraine and Russia were equally responsible for the crisis in the sphere of reciprocal payments.

He accused Russia of violating the agreement of January 15 on interstate reciprocal payments, according to which, before February 10, Russian and Ukrainian industrial enterprises were expected to repay their mutual debts. Pynzenyk also said that Russia was delaying solving the problem and described Russia's position as "an attempt to put pressure on Ukraine."

He said that if Russia raised prices on gas, Ukraine would raise tariffs on gas transit through Ukraine. No agreement on the price of gas has been reached yet, he said. He also noted that Russia intended to sell gas to Ukraine at a price of $85 per thousand cubic meters, although it sold gas to France at a price of $55 for the same amount.

Asked about the division of the former Soviet Union's debts and assets abroad, he said that Ukraine will not accept the so-called zero option. Ukraine insists on the "zero plus" option, whereby Russia will pass over to Kiev, Ukraine's share of the "non-financial assets," and maintain responsibility for financial assets and the repayment of debts.

Pynzenyk said that signs of economic stabilization were making themselves felt in Ukraine. He also said that the dollar's exchange rate had not risen and the ruble's exchange rate had remained stable for three weeks, that price-rises had slowed down and that prices on individual food stuffs on the markets had fallen. He linked these tendencies with the government's policy of limiting wages and salaries. He also said that due to the cabinet's policies, the average wage did not rise in January 1993.

To quote Pynzenyk, if the government continues to pursue its stabilization policy, more positive changes will take place in the economy. Despite stabilizing tendencies, the government will not subsidize industries operating at a loss. He emphasized that the parliament's

"populist programs," including subsidies to unprofitable enterprises, are spurring inflation which currently stands at 30%-40%.

Envoy to CSCE Rejects Russian 'Peacekeeping' Role

LD0503095193 Kiev Radio Ukraine World Service in Ukrainian 0600 GMT 5 Mar 93

[Text] The press center of the Ministry of Foreign Affairs of Ukraine reports: Speaking at a regular session of the special committee of the forum for issues of security and cooperation in Europe, which is continuing its work in the Vienna Palace, Ambassador Yuriy Kostenko, head of Ukraine's delegation, subjected to sharp criticism Russia's desire to individually take on special authority for guaranteeing peace and stability on the territory of the former Soviet Union.

Ukraine's representative explained in detail to the participants at talks of this body, the CSCE, about the statement of the Ministry of Foreign Affairs of our state of 1 March 1993 regarding the assertions of Boris Yeltsin, president of the Russian Federation, regarding granting Russia special authority in peacekeeping activity on the part of relevant international organizations, including the United Nations Crganization.

The ambassador emphasized that this would inevitably lead to dictates and interference into internal affairs, and as a consequence would be a threat to the sovereignty and territorial integrity of Ukraine. The delegation's statement was supported by representatives of Estonia and Latvia.

Russia Agrees To Lift Ban on Oil Deliveries

LD0503114693 Kiev Ukrayinske Radio First Program Network in Ukrainian 1000 GMT 5 Mar 93

[Text] Restrictions on oil deliveries to Ukraine have been removed. Leonid Kuchma, prime minister of Ukraine, had a telephone conversation with Viktor Chernomyrdin, prime minister of the Russian Federation. The heads of government discussed issues connected with the delivery of Russian oil to Ukraine. An accord was reached on removing restrictions on such deliveries, which will give oil refining plants of Ukraine the possibility of producing fuel and lubricants in the near future in the quantity necessary for carrying out spring field work in good time, and also for ensuring other immediate needs of the national economy of our country.

Chernomyrdin Hospitalized, Kuchma Ill

OW0403210293 Moscow INTERFAX in English 2000 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] On Thursday [4 March] Prime-Ministers of Ukraine and Russia, Leonid Kuchma and Viktor Chernomyrdin, had a telephone talk, Ivan Plyushch, Chairman of the Ukrainian Parliament said at its today's session.

He told parliament that Leonid Kuchma is recovering after a minor illness and Viktor Chernomyrdin is in hospital.

Plyushch said that the prime-ministers agreed on offsetting their counter-claims and discussed the gas deliveries to Ukraine.

Plyushch also said that the date for a meeting of the two prime-ministers will be determined later.

Arrangements Made for Oil Acquisition

LD0403202693 Moscow Mayak Radio Network in Russian 1800 GMT 4 Mar 93

[Text] (Andrey Piskunovskiy), chairman of the Ukrainian state committee for oil products, has reported that the payment documents for the acquisition of oil products in 1993 have been returned from Russia to Kiev. Speaking today at the republic's Supreme Soviet, he said he believed that the reason for this was the decision made by Russian Prime Minister Viktor Chernomyrdin and Viktor Gerashchenko, head of the Russian Central Bank, to prohibit commercial structures from selling oil products to Ukraine. Piskunovskiy noted that 200,000 tonnes of petrol and 400,000 tonnes of diesel fuel will be amassed in the republic by 20 March for spring sowing, while the quantities needed are not less than 500,000 and 700,000 tonnes of fuel respectively.

At the proposal of Prime Minister Ivan Plyushch, the question of preparations for the sowing campaign will be examined at the session's next plenary sitting at the end of March.

Georgian Prime Minister Sigua Arrives for Talks

LD0403220593 Moscow Ostankino Television First Channel Network in Russian 2100 GMT 4 Mar 93

[By L. Ilchenko; from the "Novosti" newscast]

[Text] Georgian Prime Minister Tengiz Sigua has arrived in Kiev by plane on a short working visit. As he invited his high-ranking guest to talks, Ukrainian President Leonid Kravchuk stressed the need to expand economic and cultural ties between the two states. Tengiz Sigua showed interest in developing trade with Ukraine and also proposed close and mutually advantageous cooperation in all spheres, without which it would be impossible to further and strengthen the independence of both Ukraine and Georgia.

[Begin Sigua recording] Of course, at this stage we must admit that we have a deficit in our trade with Ukraine

because it supplies more goods to Georgia than Georgia to Ukraine, but we will try to even up this balance. [end recording]

Official Cited on Talks

LD0403232893 Kiev UKRINFORM in Russian 1945 GMT 4 Mar 93

[Text] [no dateline as received]—Georgian Prime Minister Tengiz Sigua has paid a working visit to the Ukrainian capital. An intergovernmental agreement between Georgia and Ukraine is to be signed in the near future, he told journalists. The aim of the visit is thus to prepare the relevant documents.

On 4 March, Tengiz Sigua was received by Ukrainian President Leonid Kravchuk. They had a friendly one-on-one conversation.

Tengiz Sigua had talks with Ukrainian First Deputy Prime Minister Ihor Yukhnovskyy the same day. The sides exchanged opinions on specific areas for the development of mutually advantageous relations. They signed a protocol that provides a regulatory system for work on future agreements and the procedure for reaching them.

Georgia is a priority country for us, Ihor Yukhnovskyy said. We have, after all, excellent transport links via the Black Sea thanks to ports such as Odessa and Poti. What is also important for Ukraine is the fact that Georgia's oil and gas pipelines have their outlet in Poti. If you add to this the fact that Ukraine is interested in obtaining oil from Azerbaijan and oil and gas from Turkmenistan, which it will also be possible to pump from their pipelines to Poti, then we can state quite openly that Georgia is assuming strategic importance for us.

We have always treated Ukraine as a priority country, Tengiz Sigua stated. I am sure this will continue to be the case. We are attaching great importance to the forthcoming intergovernmental agreement, which we will sign either at the end of this month or at the beginning of April. The Georgian prime minister stressed that no differences whatsoever had arisen between the sides during the negotiations and the joint work on drafts of the agreement.

Kuchma Interviewed by Japanese Papers on CIS Charter

OW0503033393 Moscow INTERFAX in English 1652 GMT 4 Mar 93

[From the "Diplomatic Panorama" feature prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin, edited by Boris Grishchenko; following item transmitted via KYODO]

[Text] In an interview to Japanese "TOKYO SHIMBUN" and "CHUNICHI SHIMBUN" daily papers, Ukrainian Prime Minister Leonid Kuchma answered their correspondents' questions concerning current economic and political situation in the republic, as well as Ukraine's relations with its CIS partners. We are releasing the text of his interview unabridged.

Q: In one of your recent statements, you characterized Ukraine as a bankrupt state. What is your assessment of the country's present-day economic situation, and how do you view its prospects?

A: Statistical accounts indicate that we managed to abate the production decline in January, and I am confident we will reach understanding with Russia in regards to fuel prices. Our prospects are good.

Q: According to some of the statistical reports, the level of inflation in Russia topped 2600% in 1992 (CBR [Central Bank of Russia] chairman Viktor Gerashchenko claimed the inflation rate in Russia was ranging from 200% to 2200%—IF [INTERFAX]). What was the inflation level in Ukraine in 1992?

A: 2000%.

Q: Quite naturally, under the conditions of galloping inflation, the rate of exchange of the Ukrainian karbovanets was dwindling with respect to the monetary units of the other states. When, do you think, Ukraine will be able to introduce its own national currency?

A: The existing rate of exchange is fairly artificial. In spite of the current trend for its stabilization beginning from January this year, I realize, however, that the country cannot last long relying on temporary national currency. When are we going to introduce it?—The government intends to do it this year. Yet, in order that this move would not be adventurous, we are conducting serious consultations with internationally acknowledged financial groups. For one thing, Ukraine would need to set up an equalization fund.

Q: What, in your opinion, should be the size of the equalization fund?

A: In our estimates, it should be of the order of $2 Bn [billion].

Q: How successful is Ukraine's economic reform in regards to privatization?

A: As regards "big-time" privatization, we are going to pronounce bankrupt a considerable number of industrial enterprises. The government is not going to subsidize any unprofitable production capabilities, except vitally important ones. We have already begun to resort to rigid measures to effect this. In the meantime, the government has decreed and defined the time frame for incorporating state-owned enterprises. Although the parliament is somewhat procrastinating on that, but we still hope to find mutual language with it.

Q: What lessons did you learn from the experience of economic reform in Russia? How does the Ukrainian variant of the reform differ from it?

A: I disapprove of the monetary reform system which was adopted by Yegor Gaydar because it appears to be impossible to conduct the reform from a single control center, i.e., the Central Bank of Russia, as Yegor Gaydar was doing. One ought to bear in mind that, on final analysis, everything hinges on the efficiency of the national production capabilities. Therefore, the government's primary objective should be to create adequate conditions for the producer to work efficiently.

Q: Mr Kuchma, you are known to advocate effective economic nexus between Ukraine and Russia. Yet, at the time when the relations between the two countries are impaired by the problem of assets and liabilities of the former Soviet Union, as well as by the issue of Russia's oil and gas supplies to Ukraine, what kind of relations do you want to maintain with Russia?

A: I will only be able to answer this question in full when I return from Russia (later this week—IF). I pledged once that to put an end to the "cold war" with Russia. [sentence as received] I have every reason to say that Ukraine has stopped it at its end, while Russia, deplorably, is still waging it. Notwithstanding that, I am hopeful that common sense will have the upper hand with the Russian politicians. We have no one else to count on. We ought to have the relations of good neighborhood. If we continue to wage an economic warfare against one another, there would be no victors in this war.

Q: Will Ukraine be supportive of the policy of greater integration in the framework of the Commonwealth of Independent States and sign the CIS Charter?

A: I don't know a single person who said that the CIS policy was sensible after he has analyzed it. I regard the CIS merely as a screen, and nothing else. In the meantime, I wouldn't take it as a tragedy if Ukraine signed the CIS Charter. In fact, by doing so we would cut the ground from under some of the politicians who seek to set apart Russia and Ukraine. On the other hand, under the present- day situation, I can also see the reason for not signing the Charter. In his decision making, the president, certainly, was proceeding from the interests of political conciliation in this country. With Ukraine being divided into two rival camps, it is evident that our most important mission today lies in preserving equilibrium, hence conciliation, in Ukraine.

Over 50 Arrested for Illegally Crossing Border

LD0403204393 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 4 Mar 93

[Text] In the last 24 hours, more than 50 people have attempted to cross Ukraine's border with forged documents or other people's documents. This was reported by the border troops' press service today. There are only five citizens of Ukraine among the violators. The others are Afghans, Chinese, Romanians, Costa Ricans, Peruvians, Mexicans, Dutch, and Bulgarians. The border troops also prevented the illegal export of valuable materials beyond Ukraine's border.

Parliament Speaker Reviews Visits to Turkey, Greece

MK0403093893 Moscow NEZAVISIMAYA GAZETA in Russian 3 Mar 93 p 3

[Vladimir Buyda report: "Ivan Plyushch Pleased With Black Sea Assembly; and Holds It Up as Example to CIS"]

[Text] Ukrainian parliament speaker Ivan Plyushch has assessed as positive the results of his visit to Turkey and Greece. As many people know, his objective was to take part in the meeting of heads and representatives of parliaments of the Black Sea economic cooperation body that brings together 11 countries in the region. NEZAVISIMAYA GAZETA has reported that the meeting in Istanbul was to set up a Black Sea Interparliamentary Assembly, and nine countries out of the 11, with the exception of Greece and Bulgaria, held the first organizational meeting of an assembly intended as a body to coordinate political and economic cooperation. A declaration instituting the assembly was signed.

Taking stock of his visit, Ivan Plyushch stated in part: "The nine countries, six of which are CIS members, have taken a step toward integration in Europe and beyond. They were equally represented, there were no senior and less important, junior and more important among them. All that took place was in pursuance of a previous understanding reached at government level. We adopted standing orders for the assembly, and these can already be submitted for discussion at the session planned for 2 June. We adopted a declaration outlining the principles of the work of this body. All departed having agreed on all points. I would not want to compare this with what happened after the meeting in Minsk: They departed from there convinced that they had at last managed to reach a common view; they all kissed each other goodbye, only to find later that nothing was being done either to determine the prices of products, or to effect reciprocal payments."

Ivan Plyushch also announced that the operation of the Black Sea Interparliamentary Assembly will be financed during the first two years by the government and parliament of Turkey.

Speaking about his visit to Greece, Ivan Plyushch said that he had successfully signed several economic cooperation agreements with Greek business circles.

National Affairs

Supreme Council Discusses Fuel Shortages for Agriculture

LD0403153893 Kiev Ukrayinske Radio First Program Network in Ukrainian 1010 GMT 4 Mar 93

[Excerpt] [passage omitted] This morning, the Supreme Council discussed the socioeconomic situation in

Ukraine, measures for its stabilization, and social protection of the population. In particular, the issue of effective measures of the government in providing the agro-industrial complex with fuel and lubricants, pesticides—in a word, with everything necessary for the spring field work—was discussed. Deputy Prime Minister Viktor Pynzenyk made a report. He reminded the people's deputies that the government had adopted in its resolution certain measures, such as—I will specify: Let's say, 2 percent of their own produce has now been allocated to the local state administrations, i.e., they are allowed to have those 2 percent for barter operations, for example, to exchange sugar or other produce, for fuel. The government ordered that 80 percent of fuel and lubricants be sent to the countryside for spring work.

Part of the export produce of the industry will also be used for buying necessary crop protection means. Figures were given on how these resolutions are implemented. In particular, 500,000 tonnes of fuel had to be ready for the spring campaign—115,000 tonnes have been made available. That is as for gasoline. And out of 700,000 tonnes of diesel fuel, only 180,000 have been made available.

The situation is not easy and, as the government informed the people's deputies, prospects regarding an agreement with Russia are still vague. Everything depends on prices and ways of setting mutual accounts between Ukraine and Russia. If this issue is not settled, Ukraine will not have fuel. This pessimistic note was voiced at the sitting. Let's hope that the government will manage to come to an agreement.

Proceedings of Supreme Council 2 Mar Session Viewed

Speaker on Constitutional Court Stance

LD0403174693 Kiev Radio Ukraine World Service in Ukrainian 1700 GMT 4 Mar 93

[Interview with Ivan Plyushch, chairman of the Supreme Council of Ukraine, by an unidentified correspondent during the break between the morning and evening sessions of the plenary session of the Ukrainian parliament on 2 March—recorded]

[Correspondent] Making use of this break, I am asking Ivan Plyushch, chairman of the Supreme Council of Ukraine, to comment on the situation which has arisen in parliament.

[Plyushch] I consider this to be an opposition between two political forces. One political force, which finds itself in the minority, has become accustomed to the scenario of the Supreme Council having to proceed only under their direction. The majority considers this to be undemocratic and unethical, and well, to some extent it does not want to be such that on the one hand it is considered to be the majority, and on the other hand it cannot carry anything through in the Supreme Council. Therefore, I am guided not by the majority, and not by the minority. I am guided by the principle that preservation of the Supreme Council is now preservation of some kind of grounds for accord or calm. Unfortunately, the minority does not want to understand this. The minority to some degree simply believes that all events in the Supreme Council can only develop in accordance with their scenario. (?This will not be.)

[Correspondent] One of the arguments of the minority is that the Constitution was supposedly violated during elections to the Constitutional Court, ie, of members of the Constitutional Court. Is this so?

[Plyushch] This is not an argument, and this does not correspond to any reality Serhiy Holovatyy [parliamentary deputy, Narodna Rada member, and Rukh member] (?is standing here). I can openly say this, because voting was individual by signature, by voting papers, and other factors. More than half of the deputies voted for these candidacies, as is envisaged by the law. Whether there was a quorum or not, this is already a played... [changes thought] these are our temporary regulations. This is not the Constitution, and not the law.

[Correspondent] One final question, please. In a recent interview you said that this is not the time for elections to the Constitutional Court. Are you now changing your mind?

[Plyushch] I am not changing my mind. I believe that the Constituational Court will now not help either the legislative body or the executive body to somehow stabilize. The Constitutional Court should develop of itself and mature in Ukraine. I believe that now it cannot be such, and this would contribute to stabilization. I do not share the opinion of Holovatyy when he says that the Constitutional Court is above the Supreme Council and above the president. No. There is no greater court above the Supreme Council in issues of legislation than its electors. The Constitutional Court is a body elected by the Supreme Council, which competently discusses whether the Constitution is adhered to or not. If it is not adhered to, it turns to the Supreme Council. The Supreme Council can review it, and even adopt a decision to change the norm of the Constitution, if it does not correspond to current times. This is the Supreme Council.

Deputies Return Salaries

MK0403102493 Moscow NEZAVISIMAYA GAZETA in Russian 3 Mar 93 p 3

[Vladimir Skachko report: "Supreme Soviet Democrats Give Their Salaries Back to Speaker"]

[Text] The 2 March plenary meeting of the Ukrainian Supreme Soviet began with parliamentary Speaker Ivan Plyushch's proposing to approve the results of last week's secret ballot to elect members of the Ukrainian Constitutional Court. Since the subject had not been included in the meeting's tentative agenda, the deputies from the opposition Narodnaya Rada [People's Assembly]

refused to register, which resulted in the lack of a quorum. Ivan Plyushch reminded the deputies that all of them had received their salaries just before the meeting began and asked them "to earn the money in good faith." Serhey Holovatyy, a Narodnaya Rada deputy, declared that both the Ukrainian Constitution and the approved agenda were being violated in the hall to please the postcommunist majority, and said he would not take his salary. He added that as long as he remained a deputy, he would try to justify his electorate's confidence in him even without money, but he would "not allow any one to violate the Constitution." People's Deputy Aleksandr Yemets, the Ukrainian president's adviser on political and legal matters, stated that since Ivan Plyushch was violating the approved agenda, he would stop working; he then returned his money to the secretariat. Following Holovatyy and Yemets, another 30 or so deputies threw envelopes containing their deputies' salaries onto the chairman's table. Vladimir Marchenko, a majority deputy and member of the political council of the Ukrainian Socialist Party, said that by their actions the opposition wanted to prevent the election of the Constitutional Court because the court would undoubtedly cancel the economic reform pursued by the government under Leonid Kuchma as unconstitutional. He added that, in carrying out privatization, the Cabinet of Ministers had in effect rescinded Article 2 of the Ukrainian Constitution, which says that the property of the whole state may not be utilized in the interests of individuals.

Since the battle lines had been drawn, Ivan Plyushch adjourned the meeting and announced a break until 1600. Many people saw in this the first signs of a parliamentary crisis, because the democrats in the Supreme Soviet could either continue to block the work of the session or relinquish their mandates. Deputies from the majority, in turn, are willing to modify the session's agenda so that meetings can be held and decisions made in the presence of a simple majority, or 215 people plus one vote. It is already known that the Ukrainian Supreme Soviet's standing credentials and ethics commission had drawn up draft modifications along these lines on 17 February and submitted them to the speaker and the parliament's presidium for consideration. Deputy Nikolay Porovskiy, a leader of Narodnaya Rada and the Congress of National-Democratic Forces, said at a press conference on 26 February that some democrats in parliament were prepared to collect the signatures of all those deputies willing to relinquish their mandates. According to Porovskiy, it will take 145 signatures to render the parliament unable to continue its work under the Ukrainian Constitution. This by all account accords with reality, since previous experience has shown that the Ukrainian Supreme Soviet can only deliberate on questions that satisfy both opposing political camps.

Morozov, Zlenko Visit Nuclear Installation

LD0403214793 Kiev Ukrayinske Telebachennya Network in Ukrainian 1900 GMT 4 Mar 93

[Excerpts] [Announcer] Ukraine at present is considered to be occupying the world's third place in terms of the concentration of nuclear weapons on its territory, next to the United States and Russia. [passage omitted]

Two ministers of Ukraine, Konstyantyn Morozov and Anatoliy Zlenko, flew together today to a nuclear installation. Our correspondent Mykola Kanishevskyy reports:

[Kanishevskyy] Even if anyone is of the opinion that to get rid of the nuclear potential and at the same time to become a nuclear-free state is so very simple, this opinion is very erroneous. This is not a simple matter at all. Should Ukraine be eliminating nuclear weapons, it will not be done at the expense of our state.

This can well sum up today's meetings between Minister of Defense Konstyantyn Morozov and Minister of Foreign Affairs Anatoliy Zlenko, on the one hand, and many specialists of the strategic missile forces unit deployed in Pervomaysk, on the other.

The ministers visited a command post of the missile regiment, examined its technological and combat status, inspected launching systems, familiarized themselves with conditions of the storage of nuclear warheads, and had a meeting with the personnel of the unit.

Meanwhile, we were interested in how authentic Moscow newspaper reports on the technological state of nuclear weapons in Ukraine were.

[Begin Morozov recording] Today I had an opportunity to examine these issues directly, both when inspecting military hardware and when communicating with the officers, and when directly examining the situation in the very shelters in question.

Well, these issues are not as acute as they could be artificially presented now. There is a large number of grave issues in connection with the first of the main issues, that of ownership. As soon as the issue of ownership is settled between Ukraine and Russia, a very large number of issues will be settled.

Today Ukraine is ready to propose its own draft, and we only insist on the fact that valuable material contained in the nuclear weapons themselves should be owned by a state. [end recording]

General Discusses Military Doctrine, Defense Capability

LD0403223293 Kiev UKRINFORM in Russian 1716 GMT 3 Mar 93

[Text] [no dateline as received] In connection with a defense doctrine, the conclusion should not be reached that it is defensive weapons alone that Ukraine needs, and that combat operations will only be of the defensive nature, Major-General Aleksandr Rol stresses in the Transcarpathian Military District newspaper ARMIYA UKRAINY.

Debating with the opponents of combining the anti-aircraft defense forces and the air force to become a single branch of arms of the Armed Forces of Ukraine, he stresses the weakness of the existing system of anti-aircraft defense and its inability to weaken essentially the offensive combat potential of a probable aggressor.

Now that we have been deprived of a whole class of medium-range and long-range missiles, it is aviation alone that has the capability to destroy reliably and effectively hostile aviation in the air and at airfields, missile systems at firing positions and en route, and to mount attacks on force groupings and important military installations, today and in the foreseeable future, he writes.

Up-to-date scientific and technological achievements and principles of physics, which have become the basis for manufacturing air attack early warning systems, reconnaissance systems, and systems of delivery of fire for effect, do not yet make it possible to put up an absolute anti-aircraft defense, in the opinion of Major-General Rol. An invincible system of anti-aircraft defense does not exist. None of the world states have such a system, nor does Ukraine, he maintains.

What is more, the qualitative and technological parameters of communications and automated command and control systems at the anti-aircraft defense forces of Ukraine are essentially inferior to those of analogous systems in the West. Improving anything in this direction in the very near future does not seem to be possible, because there is no production base and there are no sufficient funds for devising or purchasing prospective up-to-date models.

The potential of the forces of anti-aircraft defense will significantly increase, if they become a sub-system of the air defense of Ukraine and are comprised in the composition of a unified branch of arms, in the opinion of Aleksandr Rol. This will happen by way of the forces and fires of anti-aircraft defense being commanded and controlled centrally, the forces and fires interacting reliably when repelling an air attack and fighting for air supremacy, an uninterrupted radar field being formed, the anti-aircraft defense forces' and the air force's systems of reconnaissance, electronic warfare and communications being combined, force and armament command and control automation levels being increased, and the comprehensive destruction of hostile air attack forces both in the air and at their bases being organized under unified command.

A new branch of arms, with aviation, anti-aircraft missile systems, the strategic missile forces' units and combined units, and special sub-units in its composition, will both defend reliably the skies, cities and villages, economic and military potential of Ukraine, and mount destructive attacks on the aggressor's installations and forces at the depth of its forces' operational disposition, as is stressed in the material.

Official Interviewed on Investments, Credits

AU0403193993 Kiev MOLOD UKRAYINY in Ukrainian 2 Mar 93 p 2

[Interview with Mykhaylo Pavlovych Tytarenko, chief of Ukraine's Ministry of the Economy department in charge of the coordination of foreign investments, by Volodymyr Oliynyk; place and date not given: "What Is Impeding Foreign Investments in Ukraine?"]

[Text] **According to preliminary estimates, Ukrainian enterprises need at least $30 billion worth of foreign investment and more than $10 billion in foreign credits. However, Western firms are at present unwilling to get involved in investment projects and give preference to credits. What has caused such a situation and what is hampering foreign investment? Our correspondent's conversation with M.P. Tytarenko deals with this question.**

[Oliynyk] Mykhaylo Pavlovych, please tell us about the situation regarding the attraction and utilization of investment in Ukraine.

[Tytarenko] It is not very favorable today. In accordance with some sociological studies, Ukraine occupies a place that is, to put it mildly, far from first in terms of so-called investment attractiveness. This is certainly due to the fact that a favorable investment climate has not yet been created in Ukraine. This climate is determined by numerous factors, the main ones being the economic situation, political stability, the legal protection of investments, and so on. From this point of view, Ukraine's investment climate needs to be radically normalized. Today, we have more than 1,000 joint ventures using foreign capital. However, only half of them are actually functioning and only within intermediary and commercial structures. The state wants investment to be used precisely in production. It is therefore necessary to create a legislative foundation that would be as favorable as possible and a corresponding taxation system for foreign investment. A decree to this effect with a supplement to the law "On Foreign Investment" is being prepared by Ukraine's Cabinet of Ministers.

[Oliynyk] However, for some reason, we are only being offered credits.

[Tytarenko] All of this is, again, because the situation is not favorable. Realizing this, foreign creditors mainly agree to offer us credits guaranteed by the government. Since our enterprises are not efficient enough, they may become insolvent by the time when they need to repay the credits, and the state will have to repay their debts.

[Oliynyk] What is being done today to improve the investment climate?

[Tytarenko] The Ministry of Economy, jointly with other ministries and departments, has devised a draft state program for attracting foreign investment. This program is presently being considered by the Supreme Council and Cabinet of Ministers. I believe that once it is

adopted, we will remove some barriers that inconvenience Western investors. So far, little is known about us. Already today, our department, together with the departments of other ministries, possesses a data base on investment facilities in Ukraine—they total more than 2,000 and are worth $30 billion.

[Oliynyk] As is known, Ukraine loses much as a result of being little known. Have any steps been taken to change the situation?

[Tytarenko] Quite recently, in November, a conference was held in Austria on foreign investment in the republics of the former USSR. Our delegation was headed by the first vice prime minister Ihor Yukhnovskyy. I also attended, and our department organized the participation in the conference of twenty leaders of enterprises. Besides, we took along with us more than 100 investment projects worth more than 2 billion karbovantsi. Moreover, it was proposed that such a conference be also organized in Kiev. Recently, a similar conference was held in France, and Ukraine was also represented there. Obviously, foreign investors will also arrive in Kiev soon. Of course, this is a minor breakthrough into the investment world, but still it is a concrete step.

[Oliynyk] Can you please tell us if there are any large-scale investment projects in Ukraine?

[Tytarenko] Indian investors showed an interest in our metallurgical industry. We are trying to convince the majority of Western businessmen who are ready to give us credits to engage in similar investments. It is true that many Western firms are now offering us billions of dollars. However, it is necessary to find out about the status of these firms and sources for their capital. I want to say that, despite the difficulties, we should not accept "shady money," no matter how advantageous the terms may be. With regard to investment, a number of important projects are about to be put into effect.

[Oliynyk] Do you think that anything can be done to coordinate the search for investment by all departments?

[Tytarenko] In my opinion, it is necessary urgently to create an agency that would coordinate foreign investment. Unfortunately, there is no such a structure in Ukraine. Every subdivision in different ministries and departments works separately and at its own level. Such an agency could be headed by a vice premier or even by the prime minister himself. Then it would be based upon and coordinated by interministerial ties and would determine the economic and investment strategy. It is necessary to speed up the creation of investment banks and insurance firms using foreign capital that would take care of the financing and insurance of investment credits.

New 'Ukraine's Nationwide Movement' Registered

AU0403174293 Kiev DEMOKRATYCHNA UKRAYINA in Ukrainian 2 Mar 93 p 1

[Unattributed report published under the rubric "Myt" [Moment]: "Ukraine's Nationwide Movement [Vsenarodnyy Rukh Ukrayiny] Has Been Registered"]

[Text] To unite citizens to strengthen Ukraine's state independence and build the Ukrainian national democratic state for protecting legal, social, economic, spiritual, and other interests of its members—this is the goal of Ukraine's nationwide public organization "Ukraine's Nationwide Movement" [VRU—Vsenarodnyy Rukh Ukrayiny]. On 26 February, at the Ministry of Justice, Deputy Minister Petro Shevchuk handed a certificate on registering this organization's statute to Larysa Skoryk, cochairman of VRU.

Belarus

Last Tanks of 76th Division To Be Destroyed

WS0503091593 Minsk Radio Minsk Network in Belarusian 0400 GMT 5 Mar 93

[Text] An echelon carrying the last tanks of the 76th Guards Armor Division, deployed in Brest, headed for one of the Borisov plants. The fate of the 31 tanks will be the same as that of the preceding 283. They will be destroyed and sent for recasting. This process is being carried out in accordance with the treaty on conventional arms reduction in Europe, and with the resolution of the Republic's Supreme Soviet and government on the reduction of the national Army.

National Bank Halts Transactions With Five Republics

WS0503132093 Minsk Radio Minsk Network in Belarusian 1300 GMT 5 Mar 93

[Text] This report should serve as a warning for the managers of Belarusian enterprises, institutions, and all trading organizations that ship their products to Ukraine, Tajikistan, Turkmenistan, Kyrgyzstan, and Georgia. The National Bank warns that all the transactions with these states have been halted. Enterprises shipping their products to the aforementioned states are rendering them charity assistance and will have only themselves to blame for possible losses, because these states are not solvent. Besides, the governments of these republics have not signed intergovernment agreements with Belarus on the conditions of repaying loans, which has led to their indebtedness. For example, Ukraine owes us almost 59 billion rubles and is not going to pay them back.

Official Praises Results of CIS Surgut Conference

LD0403164993 Moscow Mayak Radio Network in Russian 1400 GMT 4 Mar 93

[Text] Myasnikovich, first deputy chairman of the Belarus Council of Ministers, highly estimated the results of the conference of the heads of the Commonwealth governments in Surgut on the oil and gas complex. At a news conference in Minsk, he said that the achieved accords give Belarus the opportunity to hope that the republic will survive its energy hunger.

Myasnikovich Cited on Conference

OW0403172193 Moscow INTERFAX in English 1648 GMT 4 Mar 93

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—following item transmitted via KYODO]

[Text] The meeting in Surgut between prime ministers from the majority of former Soviet republics is instilling certainty in the future of the Belarusian oil refining industry and in the republic's supply of energy products, announced First Vice Premier Mikhail Myasnikovich at a press conference in Minsk Wednesday [3 March].

He said that, according to the agreements signed at the meeting, Belarus will participate in the distribution of oil extracted in the Tyumen oil region. In turn, Belarus will build 60,000 cubic meters of housing and about 60 km of roads in the region, and also supply the region with equipment for rolling metal and other kinds of technology.

Documents were signed on a bilateral basis on establishing a Russian-Belarusian joint venture, announced the first vice premier. A total of 51% of the enterprise's stock will belong to the Russian association Noyabrsknyeftegaz, and 49% will go to the Belarusian concern Belarusneft and the Mozyr oil refinery. Myasnikovich said that the Belarusian parties promised to develop 5 oil deposits, from which only about 2.5 Mn [million] tons of oil a year will be taken for the republic's needs. Of all the joint enterprises formed in the Tyumen District, Belarus expects to receive only up to 6 Mn tons of oil.

Calling the meeting "very important and constructive," the first vice premier said that the Intergovernmental Council on Oil and Gas which was formed in Surgut "is not akin to OPEC." He cited two aspects which characterize the significance of the agreements signed in Tyumen: "Aside from the obvious economic benefits for all sides, there are also political advantages - the mutual integration and recognition of the existence of Belarusian property on Russian territory." The first vice premier said Belarus was prepared to give Russia the opportunity to participate in the formation of industrial enterprises on Belarusian territory.

Myasnikovich noted that the republic's government plans to "seriously think" about measures to ensure the social security of Belarusian oil workers living in the Tyumen District. He feels the issue of citizenship is a tricky one, since Belarusian legislation does not allow dual citizenship, but many Belarusian oil workers would like to remain citizens of Belarus. Myasnikovich said he planned to ask the republic's Supreme Soviet to reconsider the corresponding article in Belarusian law.

The first vice premier said that Anatoliy Mordashov, head of the State Committee on Oil and Gas, would represent Belarus in the Intergovernmental Council. Also, "a small working group" may be formed to deal with issues of Russian-Belarusian oil industry joint ventures.

In response to a question from an Interfax correspondent on whether Belarus is considering purchasing oil in other countries besides Russia, Myasnikovich said, "It's a bad farmer who puts all his eggs in one basket."

More on Conference, Prices, Subsidies

LD0403181493 Minsk Radio Minsk Network in Belarusian 1815 GMT 4 Mar 93

[Text] [Announcer] A news conference on the issues of providing our republic with oil and gas was held at the Council of Ministers right after the return of our delegation from Surgut, where those issues were discussed within the framework of the CIS. Our correspondent, Ivan Gladkin, attended the news conference.

[Gladkin] Talking at the news conference, Mikhail Myasnikovich, first deputy chairman of the Council of Ministers, said:

[Begin recording] [Myasnikovich] The meeting was held on an initiative of the government of the Russian Federation. It was essentially about the necessity of organizing joint work on the oil and gas complex, on all the problems of the oil and gas complex in order not just to stabilize the volumes of extraction of oil and gas but also to expand them considerably. I must inform you that all that is now taking place on a fundamentally new political basis, when the documents that are being adopted underline the sovereignty of the states and their independence in pursuing economic policies. The economic part is also fundamentally new, and not only joint implementation of projects but also the creation of joint ventures and shareholders' societies. All this is in the documents which were signed yesterday. Apart from that, the Republic of Belarus has signed a bilateral agreement with the Russian Federation on the principles and volumes of joint work on the Tyumen complex. [end recording]

[Gladkin] The economic expediency of the agreement, stressed Mikhail Myasnikovich, is that, from the talk on necessity of stabilizing measures, the states of the Commonwealth get down to practical measures. However, the situation regarding supplies of fuel and power resources is still complicated. It inevitably reflects on the economic situation in the republic. This is why the prices rise, as noted Sergey Ling, deputy chairman of the Council of Ministers and chairman of the State Economic Planning Committee. In particular, the recent price rise on a number of foodstuffs is connected with that.

[Begin recording] [Ling] First of all, it is probably not news at all for anyone in Belarus—I do not think it is—because we published the economic program of the government for 1993. It was said that it is compiled on the base prices of energy carriers, in particular, prices on oil within the limit of 26,000 through 27,000 rubles per tonne. Even if energy carriers remain at that price, retail prices will grow by 3.4 to 3.5 times. Over the year, their movement will be calmer than last year. Nevertheless, there will be such movement. We see now somewhat forestalling rates of price rises on energy carriers, while last year, oil cost on average 4,800 rubles per tonne at the end of the year. The prices now have exceeded 30,000 rubles. While we used to receive gas at the average price of about 3,000 rubles even at the end of the year, the gas prices now, inclusive of transportation costs and costs of using it here, are about 20,000 rubles per 1,000 cubic meters. Thus, there is a 6- to 7-fold price rise. It is natural that all this should make us make relevant decisions on the movement of retail prices, including fixed ones.

As for the promises of the government, as far as possible, we behave after all as decent people, I think, and keep those promises. Vyacheslav Frantsevich Kebich said in his report that, in the first quarter of the year, prices on the main types of bakery products and on milk—he did not even talk about dairy products—will change. As you have gathered from these recently adopted documents, the prices have really been changed on other fixed types [on other products at fixed prices], but the prices have not changed on bakery products and on milk and dairy products, except butter.

Speaking about these issues in more detail, I would like and could tell you that even after the decision was made by the Board of the State Economic Planning Committee... [changes thought] It does not mean that the government was not aware of it; these movements should be watched daily, as they say, and coordinated with the issues of social protection and other factors. Therefore, the government has charged the State Economic Planning Committee with all this routine work because its chairman looks simultaneously after the issues of social protection, the issues of the State Committee for Labour, the Ministry of Social Protection and other issues, so that all the complex of issues—those of social protection, prices, and the economy on the whole—would be considered together. Therefore, the decision on that was made by the State Economic Planning Committee but with the knowledge of the government. When we made the decision to rise prices—1.7-fold on pork, 1.6-fold on butter, 1.3-fold on beef, 3-fold on housing facilities and public utilities,—despite that, the price on beef, for example, at the raised price will be 118 rubles a kilo at a (?subsidised) price, but a selling wholesale price will be 189 rubles. Pork is 219 rubles at a (?subsidised) retail price and 467 rubles at a selling wholesale price. Boiled sausages are 243 rubles and 405 rubles. Butter is 351 rubles at a retail price and 605 rubles at a selling price. The state today has to cover a half by subsidies from the budget. That document at the same time includes instructions that within five days we should elaborate on issues concerning social protection, because there are instances of losses in the population through that matter, and those measures are now being worked on. They will be discussed by the government, adopted, and published. [end recording]

[Gladkin] Mikhail Myasnikovich added:

[Begin recording] [Myasnikovich] The government has been saying and stresses today that the movement of prices is an inevitable process and it will take place. It is the first point. Second, prices will go up not only because of the price rises on energy carriers. We have enough of our own problems which influence the movement of

prices. Suffice it to say that, at virtually the same staff levels in the public sector which prevail today, production volumes will drop considerably. How can the price be preserved if the production volume drops. Therefore, everyone who comes across higher prices should clearly realize that the level of prices depends on the efficiency of everyone's work. [end recordng]

[Announcer] This is how it is, esteemed brother Belarusians. Do not expect the sweet life for a while.

Supreme Council Decree on Demonopolization, Privatization

WS0403133093 Minsk ZVYAZDA in Belarusian 16 Feb 93 p 4

[Decree of the Belarusian Supreme Council "On Implementation of the Law of the Republic of Belarus 'On Demonopolization and Privatization of the State Property in the Republic of Belarus.'"; issued in Minsk on 19 January 1993]

[Text] The Belarusian Supreme Council **decrees:**

1. To enact the Decree of the Belarusian Supreme Council "On Implementation of the Law of the Republic of Belarus 'On Demonopolization and Privatization of the State Property in the Republic of Belarus'" from the day of its publication.

2. To establish that:

The property of the Republic of Belarus and of its administrative-territorial units is subject to privatization;

Fifty percent of the privatized property becomes the property of Belarusian citizens through free quota transfer.

3. To establish that in order to bring the Belarusian legislation into conformity with the Law of the Republic of Belarus "On Demonopolization and Privatization of the State Property in the Republic of Belarus" the acting legislation of the Republic of Belarus is used inasmuch it does not contradict the given law.

4. To charge the Belarusian Cabinet of Ministers within three months:

To elaborate and submit to the Belarusian Supreme Council proposals on bringing the legislative acts of the Republic of Belarus into conformity with this law;

To elaborate and submit to the Belarusian Supreme Council the state program for the privatization in 1993;

To submit to the Belarusian Supreme Council the proposal to enumerate enterprises (associations), organizations and types of property that are not subjected to the demonopolization and privatization;

To bring the normative acts of the Belarusian Council of Ministers into conformity with the Law of the Republic of Belarus "On Demonopolization and Privatization of the State Property in the Republic of Belarus;"

To ensure that ministries, state committees, and departments of the Republic of Belarus revise their normative acts;

To elaborate and approve the 1993 program of privatization of state objects that are state property;

To elaborate and approve regulations for assessment of state property, on commissions for privatization, on auctions and competitions for buying objects of state property, on compensation of costs of privatization commissions, on typical agreement between the organ of privatization and the new proprietor, and others;

To elaborate and approve regulations on specialized investment funds;

To ensure elaboration and adoption of normative acts necessary for publishing, distribution, circulation, and repayment of nominal privatization checks.

5. To charge the local executive councils:

To elaborate and approve programs for privatization of objects which are property of Belarusian administrative-territorial units;

To name the sources of financing of privatization programs, to elaborate and adopt regulations on organs for privatization of the property of Belarusian administrative-territorial units;

6. To charge the Belarusian Cabinet of Ministers to name the sources of financing of privatization programs within two months. Together with the Belarusian National Bank, to elaborate the order of use of financial resources from privatization and submit it to the Belarusian supreme Council.

7. To charge the Belarusian Cabinet of ministers together with the Belarusian National Bank, to submit to the Belarusian Supreme Council proposals on collection of duties for services connected with privatization.

[Signed] S. Shushkevich, Supreme Council of the Republic of Belarus
[Dated] Minsk, 19 January 1993
No 2104-XII

Public Organizations' Statements Regarding Price Hikes

WS0403145093 Minsk Belaruskaje Television Network in Belarusian 0600 GMT 4 Mar 93

[Text] A price hike on consumer goods which took place on 1 March has worried our people. We have already reported that the Republican Trade Unions have issued their statement. What is in store for us? What do the Trade Unions propose? We asked Belarusian Trade Union Chairman Vladimir Goncharik to answer this question.

[Begin Goncharik recording] In addition to our declaration, we proposed that the government organize a joint working meeting. It has already taken place. Measures for social protection of the population with regard to the latest price hike were discussed. It was agreed that starting 1 April, the minimum wage rate will be changed. Exact figures are still being discussed. We do not want a big span between high and low paid workers. This issue is still under discussion. The next issue is how to regulate wages. We must assess consumption funds for different enterprises and branches of industry, and differentiate a 30 percent tax rate for different units. Naturally, the question arises: What are the sources for financing costs and providing a marketable output? We have also discussed such issues as a search for stimuli for production and the creation of new working places. A decision to make the tax system more flexible is also under discussion. In general, I want to say, all of us were of the opinion that we should not be under a delusion that the political situation in the Republic is stable. We cannot wait for any social crisis to occur. We must do everything to promote stability for the reforms. [end recording]

The Chairman of the Coordinating Committee [CC] of the Popular Movements of Belarus gives his point of view on the social protection of people with low salaries and pensions. He made a statement to the press in connection with the rise of retail prices on consumer goods.

[Begin recording] [Chairman of Coordinating Committee of Popular Movement of Belarus; not further identified] The CC statement was adopted on 1 March when the next price hike was introduced. We fully disagree with the policy of impoverishment of our people. This policy should be changed as soon as possible. All of you should understand that as long as the government withdraws money from people's earnings and cheapens their savings, the people will not be silent. The CC declares that there is a way out of the crisis which is not detrimental to people's interests. We consider that it is necessary to compensate all the financial losses of our population which are the result of the last price hike.

[Representative of Belarusian Fund for the Social Protection of Population; not further identified] I fully support Leonid Efimovich in this aspect. In the name of the Belarusian Fund for the Social Protection of Population, I support this CC statement.

[Representative of the Officers Union, not further identified] The Officers' Union also supports this statement. We have also signed this agreement. The work for the social protection of people should always be under way. We are concerned about this policy of raising prices. I want to underline that the Belarusian Government should keep its promise and not lower people's standard of living. [end recording]

Popular Front Council on the Communist Party Return

WS0403125593 Minsk CHYRVONAYA ZMENA in Belarusian 16 Feb 93 p 1

[Article by newspaper correspondent Paulyuk Bykouski under the "CHYRVONAYA ZMENA Courier" rubric: "Is Dictatorship Our Future?"]

[Text] On 13 February 1993, a regular session of the Belarusian Popular Front Council took place. A number of issues were discussed, including the return of the Communist Party to the Belarusian political arena. In the opinion of the Belarusian Popular Front [BPF] delegates, this event symbolizes the legalization of the party's activities. As a result, a new dictatorship threatens the Republic. In connection with this, the situation around the all-world congress of Belarusians has been aggravated. The BPF has declared that it will not take part in this congress because the holding of the congress will justify the government and the Belarusian Supreme Council in the eyes of the world community.

'Legal Violations' by People's Deputies Said More Frequent

OW0403213693 Moscow INTERFAX in English 2002 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] The status of the Supervisory Chamber will not be affected by the introduction of presidential powers to Belarus. Chairman of the Belarusian parliament Stanislav Shushkevich announced this Thursday [4 March] at a session of the state supervisory body.

At the same time Shushkevich pointed out that the Supervisory Chamber should not be replaced by the executive and judicial powers, as the Committee for National Control did under Soviet rule.

According to Shushkevich, legal violations by people's deputies from all levels have become more frequent in the republic. The head of parliament called it an "unhealthy occurrence" when sessions of local councils deny law enforcement bodies the right to press charges against deputies and strip them of their deputy immunity.

Shushkevich cautioned members of the Supervisory Chamber against incorrect procedures with representatives of investigating organizations. "A person or an organization cannot be considered guilty until the corresponding court decision."

Within its six months of operation, the Belarusian Supervisory Chamber, which is subordinate to the Supreme Soviet, returned to the state 642 Mn [million] rubles which had been illegally appropriated by various Belarusian enterprises and organizations.

A detailed account of Shushkevich's address at the Supervisory Chamber session will be published in the Interfax Presidential Bulletin on March 5.

Government, Trade Unions Agree on Further Social Protection

LD0403181293 Minsk Radio Minsk Network in Belarusian 1815 GMT 3 Mar 93

[Text] At a working meeting between the leadership of the Belarus Federation of Trade Unions, republican committees, councils of trade unions of various industries, along with the leaders of the Council of Ministers, a number of ministries, and departments of the republic, it was considered necessary to take additional measures regarding social protection of the population. In connection with the rise of prices on certain foodstuffs and service tariffs, it is planned to involve to a fuller degree the mechanism of indexation of income with account to inflation as well as to establish for pensioners direct compensation payments for March. For low-paid categories of employees, tariff coefficients from 1 to 7 categories will be raised by 10 percent. An agreement has also been reached on the necessity of reviewing from 1 April the size of the minimum wage.

Delegation Member Comments on Visit to U.S. Oil Companies

WS0503124593 Minsk BELINFORM in Russian 0716 GMT 5 Mar 93

[Text] A Belarusian delegation headed by Vyacheslav Kuznetsov, first deputy Supreme Soviet chairman, has returned from its visit to the United States. A member of the delegation Mikhail Marinich, deputy chairman of the Committee for Foreign Economic Relations, gave his evaluation of the visit: "We held negotiations with three oil prospecting, producing, and refining companies. These were our first contacts, thus it is too early to speak about results. The more so, that so far it has been hard for Americans to treat us as equal partners. In the beginning they simply dictated their conditions, reluctant to back down one inch. We have received yet another piece of evidence that we should not hope for foreign assistance. We should invest hard currency in science and research, and prospect for our own natural resources. We have grounds to believe that there are rich deposits of oil in the Polesye Lowland.

"So far we do not have means for prospecting. We had to persuade the American side about the advantage of the planned contract. We have brought a preliminary contract for our experts to study it thoroughly."

Moldova

Ministry Condemns Yeltsin's Statement on 'Peacemaker' Role

AU0503095093 Bucharest Radio Romania Network in Romanian 0500 GMT 5 Mar 93

[Text] The Foreign Ministry of the Republic of Moldova expressed its bewilderment and concern in connection with the declarations of the Russian president, Boris Yeltsin, according to whom it is high time that organizations with international authority, including the United Nations, offered Russia special power on the territory of the former Soviet Union.

The statement issued by the Foreign Ministry of the Republic of Moldova, taken over by the Chisinau Television, notes that Russia's wish to assume the role of peacemaker is at variance with the norms of international law, considering that none of the independent states have granted Russia such a mandate. Therefore, the Republic of Moldova believes that the contentious problems should be solved with the active participation of the international fora, including the United Nations and the CIS, and will vehemently reject all forms of attempt to interfere in its domestic affairs, reads the declaration of the Chisinau Foreign Ministry in conclusion.

Dniester Residents Register for Ukrainian Citizenship

AU0403170193 Chisinau BASAPRESS in English 2015 GMT 4 Mar 93

[Text] Chisinau BASAPRESS, 4/3/1993—The Ukrainian Union in Tiraspol "Povernennya" headed by Oleksandr Bolshakov announced today through the newspaper "DNESTROVSKAYA PRAVDA" that he would proceed with the registration of those people willing to become citizens of Ukraine. For the start people born in the eastern districts of Moldova before 1940 would be registered. Formerly this union declared that the Act of the Annexation of Dniester to Moldova in 1940 was illegal and that Ukraine is in power to issue orders and even to enter Dniester.

Moldova, Dniester May Share Constitution

AU0403170493 Chisinau BASAPRESS in English 2015 GMT 3 Mar 93

[Text] Chisinau BASAPRESS, 3/3/1993—"Dniester will not participate at the discussion of the project of the new constitution of Moldova" stated Alexandru Caraman, the vice president of the so-called Dniester Republic in a telephone call to a BASAPRESS correspondent. He mentioned that one month ago the authorities from Dniester forwarded a few proposals to the Moldovan leadership regarding the future of the political dialogue between Chisinau and Tiraspol but at the time they didn't receive any answer. "It might be possible that Moldova and Dniester have the same constitution, but this depends on the way the leadership of Moldova will answer our proposals" concluded Alexandru Caraman.

Gagauz Region To Boycott Constitution Discussion

AU0403194093 Chisinau BASAPRESS in English 2015 GMT 4 Mar 93

[Text] Chisinau BASAPRESS, 4/3/1993—"The New Constitution of Moldova should lay the basis for the Gagauz autonomy" stated Mihail Kendigelean, the chairman of the Supreme Soviet of the so-called Gagauz Republic, in a telephone call to a BASA correspondent. He mentioned that in the event of Moldova's Constitution legitimising Moldova as a unitary state, the Gagauzes will not attend the discussion of the Constitution project. "However the Gagauzes will have their own Constitution, which we hope will not contravene Moldova's one," concluded Mihail Kendighelean.

Premier Submits Government Economic Program to Parliament

OW0403183693 Moscow INTERFAX in English 1708 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Privatization and denationalization, agrarian reform, improving of fiscal system, ensuring of reliable social protection of the population, and "reanimation" of foreign economic activity are the key points of Moldova's economic reform until 1995. This statement was voiced by Moldova's Prime Minister Andrey Sangeli in Chisinau when he presented the program of the government's prospective activity in the republic's parliament on Thursday [4 March].

The Premier pointed out that his Cabinet intends to ensure stabilization by supporting producers, creating favorable conditions to increase production, drawing foreign investments, and creating free economic zones.

Sangeli emphasized that the implementation of the governmental program is possible only under stable public-political situation and preserving of a single economic space in Moldova.

The Premier addressed the parliamentarians asking to consider a bill on a special legal status of regions densely populated with Gagauzs and of transdniesteria in order "the government had a possibility to focus its attention on economic problems." According to Sangeli, late 1992 the republic managed to stop the industrial recession in some branches of national economy. He reported that in comparison with 1992 the growth of national income will constitute 8%, the volume of industrial production - 12%, and growth of agricultural production - 18%. At the same time Sangeli recognized that in 1993 Moldova will be forced to import cereals even under favorable weather conditions.

In Sangeli's words, in 1990-1992 Moldova's GNP has dropped by 40%. The damage inflicted by the conflict in transdniesteria constitutes 80 billion rubles, actually equal to Moldova's annual budget.

Deputies Approve Reform Plan

OW0403213293 Moscow INTERFAX in English 2002 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] The Moldovan Parliament on Thursday [4 March] endorsed a two-year government programme to speed up agrarian and fiscal reform and the privatization campaign as well as ensure social security benefits and higher exports.

A separate section deals with ways in which to settle the transdniesterian conflict by defining its status and that of the mainly Gagauz regions.

Prime Minister Andrey Sangeli told parliament that nothing short of resolving these priorities could help preserve a single economic mechanism and overcome the deep economic crisis.

National Bank To Liquidate Debts to Farms, Enterprises

AU0503091493 Chisinau BASAPRESS in English 1945 GMT 4 Mar 93

[Text] Chisinau BASAPRRES, 4/3/1993—"The debt of the National Bank of Moldova to agricultural farms and industrial enterprises is valued at 11.6 billion rubles and will be liquidated on 19 March" declared Dumitru Ursu, vice-governor of the bank in an answer to a meeting of deputies. "As a result of an approach from the parliament chairman, the central Bank of Russia will put at Moldova's disposal four billion rubles. At the same, time until March 19 millions of coupons printed in Romania will be sent here" stated Dumitru Ursu. In addition Dumitru Ursu stressed that "if they do not take measures to establish custom points on the Eastern borders of the republic, then there is a strong danger that rubles will return to Russia following their initial circulation." The fact that the population has not sufficient money, especially in villages was clear from the speeches of deputies. During the beginning of October last year, wages were not paid to peasants.

Party Accuses KGB of Obstructing Union With Romania

AU0403141093 Chisinau BASAPRESS in English 2015 GMT 3 Mar 93

[Text] Chisinau, BASAPRESS 3/3/1993—"The corresponding letter is an ideological diversion aiming to justify the declaration without any evidence from President Snegur on 17 February 1993 for a supposed coup d'etat allegedly being prepared by the opposition, to outlaw the Christian Democratic Popular Front [FPCD] and to accomplish the secret plan of establishing a dictatorship in Moldova," states the declaration of the Executive Committee of FPCD, published in Chisinau, with reference to the article "Where the Terror Tentacles

are Directed" published in the newspaper "BUKOVINA" in Cernauti [Chernovtsy] and taken over by "KISHINIOVSKIE NOVOSTI" (THE NEWS OF CHISINAU) creating a summary of graphological and grammatical analyses of short passages from the letter of the "Romanian Officer," FPCD mentions that the author or of this letter resides in the east of the Prut River and such a style of writing and grammatical errors are characteristic of a non-Romanian or a Bessarabian who started writing in Romanian in 1989.

In addition FPCD, declares that it could have been unprecedented in the history of the secret services that a security officer would send a text signed and written by his own hand to a newspaper of a foreign country. The fact that the letter was first published in a newspaper of Ukraine and only then in Chisinau, and what is more important that this text was typed and photo-copied then circulated amongst the deputies from the Parliament in Chisinau, indicates the character of diversion from this press campaign, through which they follow the aim of frightening the Romanian population from Northern Bukovina, to fuel the cold war against Romania, to undermine the national liberation movement and its leaders who are said to be responsible for tragedies in the Gagauz areas, Dniester and of many deaths.

In the declaration of the FPCD they underline that the tragedy occurred in Tighina (Bendery) where Russian Cossacks supported by the 14th Army killed hundreds of Moldovans, where the crucifixion and torture of Moldovans continue and where the native population fled in groups of tens of thousands. Evidently the epistle of the so-called "Romanian officer" carefully matches the background of the Russian secret services (KGB) and those affiliated to them.

This being an action of a provocative nature, seeking to intimidate the FPCD "as well as the movement in support of unification." The anonymous authors of that letter, as underlined in the Declaration, seeks to convince public opinion of the terrorist character of the movement for unification, to undermine the reunification with Romania. The sequence of those libels, the declaration points out, has its beginning in 1989 when the communist press from Moscow and Chisinau stated the Popular Front brought armaments from Baltic countries. The myth about the "bloody prime minister" from Chisinau, Mircea Druc, and "murderer" General Costas who were accused of bloodshed in Dniester is part of the same propaganda flowing from imperialist campaign. The distinct gravity of this diversion, considers the FPCD, consists in attempting to present Romania as being aggressive to Moldova and Ukraine in order to induce suspicion and thus undermine good relations concerning collaboration between those countries. "We have no doubt that the sequence of ideological diversion will not stop at this as long as the problem of the occupation of Romanian territories exists," concluded the FPCD Declaration.

Kazakhstan

Nazarbayev Unveils New Economic Reform Stage

MK0403123693 Moscow NEZAVISIMAYA GAZETA in Russian 4 Mar 93 p 1

[Sergey Kozlov report: "Nursultan Nazarbayev: 'Enough of Criticism; Critics Will Have No Place on Our Team'"]

[Text] "The president's men" were convened on 3 March to receive last-minute guidance before entering a new stage of market-oriented reform. NEZAVISIMAYA GAZETA has already reported that it will center around a privatization program. "The purpose of our gathering is not to start discussing the program over again but to grasp its meaning in order to be able to start acting tomorrow," Nazarbayev stressed. The president was much tougher than usual in his nearly two-hour address. Conceding that the actions of the executive branch in carrying out the first stage of the program were a mistake ("we bungled it perfectly"), Nazarbayev rejected allegations of conservatism in his personnel policy. "I have been told that I have retained former party apparatchiks, but I answer my critics that this is not so. I am still amazed by the desire of administration chiefs to hold on to the command levers at any cost, by their intent interest in the privatization even of small trading centers. There is nothing to be amazed at, however, the answer is clear." He also gave a stern warning to those who disagree with the privatization program: "I want to warn you that today your task is to implement it, not to criticize. Those who criticize should know that they will have no place on our team. Any criticism must have a program, otherwise it degenerates into mere chatter. The discussions, dear friends, are over."

The president described the essence of the program itself as a staged, gradual transfer of the property of state-owned enterprises to privatization coupon holders by way of creating joint-stock companies. Initially, the controlling block of shares will be owned by the state represented by the committee for state property, and directors will be appointed by branch ministries, but the state-held proportion of shares will gradually but steadily decrease, as they are sold to new owners. Unlike the Russian voucher, the Kazakh coupon will not have a face value. It will be issued by name and may not be sold, only surrendered to an investment bank, which can be done through investment companies and stock exchanges. At the first stage, privatization will not exceed 30 percent of state enterprises' assets. "So you can tell all the communists and socialists to stop worrying—for the moment...," Nazarbayev remarked ironically. The communists, however, do have cause for concern. "We, as leaders of that time, know the vices of that system better than anybody," Nazarbayev said. "We were told for 70 years: The poor people will rise—and they are the most honest—and arrange life in a proper fashion. But we can see right now "that even the switch from state to collective ownership has not affected production efficiency." Only the creation of a new class of owners who have something to lose provides a path for building an efficient market-driven economy, in the Kazakh leader's view. "Personally, it is very important for me that the program is positively received by our fellow-citizens. Our task is to carry out privatization within a short period of time and on a mass scale. This is the only way out of the current crisis, and we have to move forward, or else there will be chaos and the destruction of our statehood."

It was also noted that the upcoming stage of Kazakhstan's economic reform would add further to social tensions. "Yes, material inequality among people, unemployment, bankruptcies—we are prepared for all that," Nazarbayev said in conclusion.

The head of state undoubtedly needs support. This is why he called on the mass media and all the political parties to moderate their polemical ardor and to consolidate efforts for the benefit of market-oriented transformations.

'Failure' of Privatization's First Stage

LD0503100093 Moscow Radio Rossii Network in Russian 0900 GMT 5 Mar 93

[Text] President Nursultan Nazarbayev of Kazakhstan has stated that the first stage in privatization in his republic has been a failure. He reported on this at a meeting of the government.

According to Nazarbayev, non-state enterprises are yielding two or three times less products than was expected of them. The president of Kazakhstan noted that in the future privatization will be conducted on the initiative of the property owner, that is, the state.

He spoke out in favor of extensively attracting foreign individuals and capital to become involved in the privatization processes.

Official Cited on Privatization

OW0403173793 Moscow INTERFAX in English 1650 GMT 4 Mar 93

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—following item transmitted via KYODO]

[Text] "A proprietor's psychology" has not taken root among the republic's population during the first stage of privatization, President Nursultan Nazarbayev told heads of local administration and local services for the management of state property at their conference in Alma-Ata on Wednesday [3 March] evening. He expressed dissatisfaction with the present pace of denationalization and insisted that the lessons of the first stage be taken into account during the second stage (1993-95), a program for which was considered at the conference.

The principal mistake made during the first stage, Nazarbayev said, was that the bulk of the population was not involved in privatization. It should, he said, be corrected by providing all citizens with investment coupons, the Kazakh equivalent of Russian privatization vouchers.

The Chairman of the State Property Committee, Zhanybek Karibzhanov, said at the conference that the faster "sweeping privatization" was carried through, the more difficult it would be to go back to the "old administer-and-command system."

He believes the national program should be primarily designed to provide conditions for the transition from the centrally planned control economy to a market one by personifying property rights. The state should hand over state-owned enterprises and other state property to the population, giving part of it free of charge and selling the rest.

In his view, privatization of the majority of enterprises in the republic would make it possible to rapidly create market-oriented economic structures and form a stratum of private property owners constituting a highly efficient sector of the economy, provide favorable conditions for competition, and demonopolize production.

Karibzhanov hopes the program would result in the emergence of economic structures where "private business would prevail" and would provide better opportunities for foreign capital investment.

According to government sources, Nazarbayev will, within the next few days, sign a new, amended version of the national program for 1993-95. About ten decrees have been drafted by Nazarbayev's staff as measures to carry it out.

Labor Ministry Reports Over 70,000 Unemployed Registered

OW0403163793 Moscow INTERFAX in English 1437 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] The republic's Labor Ministry reported to Interfax that as of March 1, the number of unemployed in Kazakhstan totalled 70,000 people, 56,000 of which receive benefits. There were about 16,000 unemployed in Kazakhstan during the same period in 1992.

The ministry predicts that the number of those who would loose their jobs this year will grow. According to the Ministry's prognosis, there will be 150,000-200,000 of them by this summer and about 500,000 by autumn. Ministry experts point out that defense industry workers are most vulnerable.

An agreement to create a consultative council on labor and employment was signed at a meeting of Labor Ministers from five Central Asian republics which completed its work in Alma-Ata. The council is to pass decisions to preserve jobs, facilitate production, and ensure interaction among the five countries' governments to guarantee pensions.

Consultations Held With Italian Delegation

LD0403214493 Alma-Ata Kazakh Radio Network in Kazakh 1500 GMT 4 Mar 93

[Text] Kazakhstan-Italian consultations were held at the Foreign Ministry with the participation of experts of the Ministry of Economics and Ministry of Foreign Economic Relations. They discussed measures on activating bilateral political, economic, scientific, and technical relations. In this context, they assembled a preliminary package of documents, establishing a legal basis for cooperation between Kazakhstan and Italy in different fields. An understanding has also been achieved on the dates of the official visit of President Nursultan Nazarbayev to Italy. It will be in the first half of this year.

DPRK Ambassador Holds News Conference on Cooperation

LD0403215393 Alma-Ata Kazakh Radio Network in Kazakh 1500 GMT 4 Mar 93

[Text] The ambassador of the Democratic People's Republic of Korea in Kazakhstan held a news conference today for the Kazakh State Information Agency and other mass media. Answering their questions, the ambassador gave an account of his state's position on the most important problems. The ambassador expressed his hope that relations between Kazakhstan and the DPRK will be successfully developing in all different fields of cooperation. In particular, he noted that in the near future there will be an exchange of cultural delegations.

Diamond Deposits Reportedly Discovered

OW0503125893 Moscow INTERFAX in English 1139 GMT 5 Mar 93

[Following item transmitted via KYODO]

[Text] Thinly dispersed crystals of diamonds have been discovered in the Irtish river basin, East Kazakhstan. Experts regard this as a sign of a prospective mine. The discovery has been reported to INTERFAX by the institute of geological sciences of the National Academy.

The Kumdykolskoye deposit in the Kokchetav region is the principal supplier of minerals to Kazakhstan's gold and diamond funds today.

Minister Visits South Africa for Talks on Chromium

OW0503015793 Moscow INTERFAX in English 2005 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Kazakhstan, the former Soviet Union's main chromium producer, will work with South Africa to

develop a price policy for chromium and ferroalloys. The Kazakh Minister of Industry Albert Salamatin flew to South Africa this week for talks.

Plans by Kazakhstan and South Africa to coordinate price policy may be motivated by the desire to prevent chromium from appearing on the world market, in part from Commonwealth nations, at dumping prices.

Kazakhstan extracted close to 3.6 Mn [million] tons of chromium ore last year, and exported 718,000 tons, and plans to export 900,000 tons of chromium from the Commonwealth in 1993. Russia extracts and exports (Kazakhstan and Russia produce virtually all of the former Soviet Union's chromium) far less chromium ore: these figures were 120,000 tons and 29,000 tons, respectively, last year. The quality of the Russian ore (up to 36% chromium content) is also rather low.

Kyrgyzstan

Country in 'Deep Political and Economic Crisis'

PM0403163793 Moscow KOMSOMOLSKAYA PRAVDA in Russian 3 Mar 93 p 1

[Correspondent K. Bayalinov report: "We Will Proceed by Another Route"]

[Text] Bishkek—This is how Askar Akayev described Kyrgyzstan's future development in his speech to representatives of political parties.

This means that Akayev has rejected both the communist and socialist paths of development.

Changing the economic and political orientation has become a good old tradition in Kyrgyzstan. I recall that two years ago we had intended to become "tigers and dragons" in the image of Singapore, Hong Kong, and Thailand. When nothing came of this, Kyrgyzstan chose the Turkish model. After literally six months, it was announced that the republic would become a "second Switzerland." Now there is a new development...

Time has shown that moving precipitously from one extreme to another is the product of a deep political and economic crisis, and consequently, of the present government's inability to sort out the situation. While wages are less than in Moscow, prices here have reached the same level as there. A liter of gasoline costs 90 rubles [R], a kilogram of meat R450-550, dairy butter—R1,100, and a bottle of kefir—R53.

Economics and politics are interlinked. Corruption has overwhelmed the leading structures. Some 85 percent of people polled on the question "Have you had to give bribes to officials?" replied in the affirmative. Also, if we are to add up the bribes paid by the 52 entrepreneurs who participated in the poll, the total of the gifts exceeds R60 million. The organizations which were described as the most corrupt were the Ministry of Internal Affairs, the Administration for Combatting the Mafia, the Visas and Registration Department, and the State Motor Vehicle Inspection Administration.

But perhaps the most graphic example of "making money out of the state's collapse" (Askar Akayev's description) is offered by the life and activities of S. Salimbayev, chief of Issyk-Kul Oblast Administration for Combatting Corruption, who during his career built a three-story mansion (there are only 38 doors in the house!), and replaced his car several times.

There is a sharp rise in crime in the republic. While the rise in crime in 1992 compared to 1991 was 5.5 percent in Uzbekistan, 15.5 percent in Kazakhstan, and 27 percent in Russia, it was 41.3 percent in Kyrgyzstan.

The audacious criminals will stop at nothing. Citizens of other states, diplomats who enjoy immunity, and even ambassadors are becoming the subjects of attacks. The ambassadors stated in a meeting with President Akayev that if the Kyrgyzstan Government does not take measures, they will be forced to turn for help to international bodies.

One question remains unclear for the moment—what do the people's deputies understand by Akayev's "other route of development for Kyrgyzstan?" By a process of elimination (we have already had democracy), this will most likely be the "strong arm" route. At least, their neighbors' very successful economic record teaches them this.

Communists Object to Draft Constitution

LD0503092193 Moscow ITAR-TASS in English 0859 GMT 5 Mar 93

[By ITAR-TASS correspondent Boris Mainayev]

[Text] Bishkek March 5 TASS—The draft of the new constitution of Kyrgyzstan was described by local communists as a "wild capitalisation of the country, elevated to the rank of state policy". The Kyrgyz Communist Party's Central Executive Committee today published its view on the draft. It believes that "departure from the rule of the soviets to the power of an individual means regress, renunciation of democracy and people's rule". The communists believe that several articles of the constitution may engender instability in the republic. They believe this is largely due to the fact that the draft legalises the annulment of the right to work, free-of-charge education and public health. The Kyrgyz communists move to revise the draft substantially. A congress of Kyrgyz communists is scheduled to meet on March 13.

Vice President Rejects Allegations of Arms Deals

OW0403213193 Moscow INTERFAX in English 2002 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] In an Interfax interview Vice-President Feliks Kulov of Kyrgyzstan described a recent article in the Asaba (Flag) newspaper as "intrigues of the opposition which tries to destabilize the political situation in Kyrgyzstan on the eve of a parliamentary session."

The article alleged that he ordered the country's State Defense Committee to sell 150 automatic rifles and 180,000 rounds of ammunition to ISA-Aleks, a private Tajik company. Kulov is also accused of illicitly issuing a license for exporting a large amount of nonferrous metals and silver to China.

U.S. Humanitarian Aid Arrives in Bishkek

LD0503122893 Moscow ITAR-TASS in English 1044 GMT 5 Mar 93

[By ITAR-TASS correspondent Boris Maynayev]

[Text] Bishkek March 5 TASS—The United States has sent 110,000 tonnes of fodder grain and 50,000 tonnes of grain to Bishkek as humanitarian aid to Kyrgyzstan, the Foreign Ministry of the republic reported.

It also reported that a group of Turkish businessmen left for Kazakhstan a few days ago to purchase 350,000 tonnes of grain for Kyrgyzstan.

Tajikistan

Reinforcements Arrive in Dushanbe; Attack Rumors Denied

LD0503144693 Dushanbe Radio Dushanbe Network in Tajik 0110 GMT 5 Mar 93

[Text] There were rumors that antigovernment forces were to attack the city of Dushanbe on 5 March; that is, today. On this, our correspondent received the following answers from an official of the press office of the National Security Committee:

[Unidentified official] Recently rumors were being spread among the population of Dushanbe city alleging that the antigovernment armed forces would attack the capital on 5 or 20 March of the current year. The National Security Committee, the Defense Ministry, and the Internal Affairs Ministry of the Republic of Tajikistan state with full authority that such rumors are being spread by the those who do not wish the Tajik people well, and that they are baseless. At the same time, the government forces have carried out a number of successful operations, as a result of which the Romit Valley and a group of rayons in the Garm region were cleared of the opposition.

Military forces of the CIS states are arriving in the republic with the aim of strengthening the state borders.

In order to speedily implement the decree by the Presidium of the Supreme Soviet of Tajikistan on the voluntary surrender and confiscation of firearms and military equipment, a large amount of military equipment and additional forces have arrived in Dushanbe City and other regions at the instruction of the state leadership, which will fully ensure the peace and tranquillity of the people.

We appeal to all the noble people of the republic not to believe in such provocative rumors and to carry on with their lives calmly.

Russian Officer on Rumors

OW0403222993 Moscow INTERFAX in English 2002 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Colonel Demin, battalion commander in Russia's 201 motorized infantry division, told Interfax correspondent that his battalion's armored vehicles were sent to patrol Dushanbe streets and guard the key installations in the city on an unofficial order by the Tajik government. In his words, this measure was prompted by the rumors circulating in the Tajik capital that the armed opposition was planning an attack at Dushanbe on March 4-5.

In the opinion of Colonel Demin, however, the speculations about the would-be attack by the opposition militants from the direction of the Varzob and Ramit gorges were "ultimately unfounded." In referring to the information available to him, he said that the only pocket of organized armed resistance to the legitimate powers-that-be in Tajikistan remains Kalai-Humb at the Pamir which is the rallying point for all of the irreconcilable militants of the armed opposition.

Russian Commander on Security of Afghan Border

OW0403161893 Moscow INTERFAX in English 1434 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] The Russian border guard forces positioned on the Tajik-Afghan border "have everything they need to thwart any attempt to trespass the border." Colonel-General Vladimir Shlyakhtin, Russian Deputy Security Minister and commander of the Russian border guard, told Interfax in an exclusive interview on Thursday [4 March]. He thought there was no need to provide those forces with any additional weapons or equipment.

Shlyakhtin said Russian border guards were stationed both on the territory controlled by Tajik government forces and on that controlled by the opposition, whose commandos had retreated to the Gorno-Badakhshan Autonomous Region in the Pamirs. He said the border guard had been given orders to maintain complete neutrality and not to interfere in Tajikistan's internal conflict.

At a news conference held in Moscow the same day, the general said Kyrgyzstan, Kazakhstan, Uzbekistan, and

Russia would send additional detachments, each of them 500 strong, to be stationed on the Inkashim, Panj, Moskovsky, and Khorog sections of the border.

Since the beginning of this year, Russian border guards have had armed clashes with trespassers on about 30 occasions.

Government Seeks New Level of PRC Ties

OW0403213993 Moscow INTERFAX in English 2003 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Tajik Foreign Minister Rashid Olimov said the republic's new government wants to "bring the Chinese-Tajik relations to a qualitatively new level, give them a major impetus in the spirit of the time." "We need to set up a reliable legal basis for our relations," he said in an interview for INTERFAX, in anticipation of the Tajik government delegation's departure to China. During its stay in China, March 7-11, the delegation is planning to sign in Beijing a whole package of agreements. In addition to economic agreements, the parties are expected to sign a document on the principles of relations and cooperation between Tajikistan and the People's Republic of China. Mr. Olimov maintains that during the official visit, the Chinese side will not raise any territorial claims to Tajikistan, so long as these issues still are in the competence of the quadripartite commission representing the interests of the CIS countries. The Tajik foreign minister is confident that the issues related to the disputable territories in the region of Eastern Pamir will be resolved "in the spirit of fairness and mutual concessions."

'Experts' Believe Civil War Ending

OW0403133193 Moscow INTERFAX in English 0902 GMT 4 Mar 93

[Interview with Deputy Supreme Soviet Chairman Abdulmajid Dostiyev by unidentified INTERFAX correspondent; place and date not given; from the "Problems & Opinions" feature—following item transmitted via KYODO]

[Text] Experts believe that the civil war in Tajikistan is coming to an end. Recently the government united carried out a series of operations to wipe out elements of the armed opposition. [sentence as received] Abdulmajid Dostiyev, deputy chairman of the republic's parliament, gives some details on combat operations to an INTERFAX correspondent.

Dostiyev: Right now the situation is the Garm Valley is under control. One may say that the operation on wiping out one of the most dangerous pockets of resistance is coming to an end. Right now there are not more than 100-120 militants there. In the course of the operation of the government units the militants lost a tank and an APC [armored personnel carrier]. According to the reports, the militant group is still equipped with an infantry combat vehicle.

In the area of Khorog, the near-the-border district center of the Gorno-Badakhshansk Autonomous Region, there is still a force of 100 armed persons. They are elements of the opposition. Forty of them belong to the personal guard of Akbarsho Iskandarov, who is now in charge of the regional council. One had to admit that the government's working commission, that studied the situation in this Pamir autonomy, arrived at a conclusion that it is only in words that Iskandarov is in favor of the legitimate leadership of Tajikistan. And in deed he is gathering armed individuals around himself.

Now, when the government troops established control over the district centers of the Garm Valley, the opposition elements are no longer able to get aid from the northern provinces of Afghanistan, for they lost the areas for landing aircraft. In the near future, the moment the summer weather sets in there, some battalions from Kyrgyzstan and Kazakhstan will arrive here to reinforce the Tajik-Afghan border. This way the arrangements made in Minsk at the meeting of the heads of Commonwealth states on January 22, 1993, will come to fruition.

Now an urgent item on the agenda is an item of the return of numerous refugees from Komsomolobad and Garm to their native land. The refugees want aid and guarantees of their security.

"IF" [INTERFAX]: Rumors are circulating that enlisted men from the People's Front of Tajikistan were taking part in the fighting.

Dostiyev: With all responsibility, I do say here that not a single soldier of the People's Front participated in the operations in the Garm Valley.

"IF": There is a lot of talk now that in the course of the fighting the government troops have suffered heavy losses. Why has this happened?

Dostiyev: Well, the thing is that our paratroopers have been tricked. When in Dushanbe, the leaders of Garm tried to persuade us that the people would welcome the government force as liberators. For that reason, the order was given not to open fire. And, indeed, they were given a warm welcome. And don't forget, for Muslims taking the oath, receiving bread as a sign of welcome is a sacred thing.

So the soldiers were invited to dinner only to be disarmed later on and murdered after cruel torture. The government has allocated aid in the amount of 6 Mn [million] rubles to the Vakhshsk area and 10 Mn rubles to the Bakhtarsk area. The money was given to help families that suffered losses. Each family will get a grant in the amount of 30,000 rubles. And this is not just a one-time gesture of help: The government will go on furnishing aid to the people.

"IF": What about the political stand taken by the administrative leaders of the towns of Garm Valley?

Dostiyev: I can say that for instance, the chairman of the district executive committee of Tajikabad, an ex-party functionary, has established "an Islam Revolutionary Council" at the committee. At the same time, this individual tried to convince the government that he was loyal to it and emphasized that the local authorities and the local public were on his side. Now he has run away from the republic. We heard about it from the chairman of the district division of the committee of national security who was lucky to get to Dushanbe.

Well, I can sum it all up by saying that the government of Tajikistan has decided to invite all the leaders of the Gorno-Badakhshansk autonomous region to the city of Dushanbe to clear up relations between the center and the autonomy. We think it is a major step, for the cabinet is really interested in finding a peaceful solution to this predicament and in preventing the dispatch of government troops to Pamir.

"IF": Certain elements from Afghanistan are known to participate in destablizing the situation in the republic...

Dostiyev: Oh yes, it is so. On the Afghan bank, on the border river Panj, there are some artillery batteries. The artillery pieces are aimed at Tajikistan, and they can destroy targets at a distance of up to 16 km. We've given a warning to potential attackers that with the first shell launched in our direction they'll get all the counter fire they can imagine. Yes, Tajikistan has its own air force, we have our own combat helicopters, we have MiGs, and you can find them in the town of Termez.

It is a well-known fact that in Afghanistan, on the territory controlled by Hekmatyar, Akbar Turajonzoda, former head of the Muslim clergy of Tajikistan, is hiding now, and he arrived there from Cairo where the opposition headquarters are located.

A matter of great concern for us is the issue of Tajik refugees who found themselves in Afghanistan. There are facts known to us that militants prevent them from returning home. This is the same old tactic of people who have covered themselves with bloodstains, trying to settle scores with political rivals and using innocent civilians as tools of manipulation.

Whenever the first opportunity comes my way, I intend together with Sangak Safarov, the leader of the People's Front of Tajikistan, to go to Afghanistan. The point is that it is from us that the refugees want to get a security guarantee.

We do realize that after their return there is the danger of a blood feud. We do our best to prevent that vendetta. For example, right now the government is trying to disband detachments of the People's Front. It's been possible for me to persuade Saydov, one of its leaders, that any people's movement, after carrying out its mission, shall disband. Saydov has presented full lists of his soldiers to the government. The strength of his force is over 700 persons. Some of his people will serve in the national security committee, some in the Interior Ministry and some in the army. The others may go back to their previous place of work and they'll be given compensation for participating in the armed conflict.

Kabul Denies Safety to Officials Visiting Tajik Refugees

OW0403182293 Moscow INTERFAX in English 1706 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Tajik officials have failed to visit the camps of Tajik refugees based in Kunduz province of northern Afghanistan. Deputy Head of the Foreign Ministry's Consular Department Takhir Akhmedov who is just back from Afghanistan told Interfax that the authorities in Kabul gave no safety guarantees to a Tajik commission for refugees.

Various counts put the number of Tajik refugees who fled from last November and December fighting between government troops and opposition units to an Afghan area under control by Golboddin Hekmatyiar's guerrillas at about 50,000.

Akhmedov maintains that refugee representatives meeting the delegation close to the river port of Shirkhan said that 90 per cent of refugees wanted to return home if they were given firm safety guarantees, freedom of choice of a new residence and partial compensation of the war damage.

Akhmedov said the government commission had agreed to meet these demands and that an appropriate decree was being prepared.

Rakhmonov Addresses Nation on Anniversary of Joining UN

LD0303134393 Moscow ITAR-TASS in English 1300 GMT 3 Mar 93

[Text] Dushanbe March 3 TASS—"The Tajik government is firmly committed to strictly observe the U.N. Charter, the Helsinki Final Act, the Paris Charter and other international documents," Chairman of the Tajik Parliament Imamali Rakhmonov pointed out in his address to the nation on the occasion of the first anniversary of Tajikistan's joining the U.N.

"The country's leadership is consistently working for upholding the rights and freedoms of all citizens irrespective of their nationality, belief, political convictions or place of residence. The Tajik government is pursuing a policy of creating a law-governed democratic state.

"Our government has not banned any political party, although some of them played an unseemly role in kindling the fratricidal war in the republic. We are ready to start a dialogue with all political forces wishing to

work for overcoming the political and economic crisis as quick as possible. But the dialogue should be about ways of creation, not destruction."

The Presidium of the Tajik Parliament issued a decree on amnesty on the occasion of the first anniversary of joining the U.N.

Turkey Sends Food, Medical Supplies to Dushanbe

LD0403152793 Moscow ITAR-TASS World Service in Russian 1102 GMT 4 Mar 93

[Report by Tia "Khovar" corresespondent Valeriy Zhukov for TASS]

[Text] Dushanbe, 4 Mar—"The leadership of my country understands the whole complex nature of the socioeconomic situation in your republic and is ready to support it at a difficult time," said Orhan Erdivanli, the Turkish ambassador to Tajikistan, on the arrival of humanitarian aid from that country in Dushanbe.

This is the second flight with charitable aid to the republic on Turkey's part: 14 tonnes of food and medical supplies have been delivered to Dushanbe by a military-transport aircraft.

Uzbekistan

Russian Envoy Arrives in Tashkent for Talks

LD0303175493 Tashkent UZBEKISTAN APN in Russian 1204 GMT 3 Mar 93

[Text] Anatoliy Filev, special envoy of the Russian Federation, arrived in Tashkent today for talks with the Uzbekistan Government. During the visit, issues of Uzbek-Russian relations will be discussed.

Package of Agreements Initialed

LD0503041793 Moscow Radio Rossii Network in Russian 0100 GMT 5 Mar 93

[Text] The meeting between Uzbek and Russian state delegations concluded on Thursday [4 March] in Tashkent. It resulted in the initialing of a package of bilateral intergovernmental agreements. Anatoliy Filev, head of the Russian delegation, told a Russian Information Agency correspondent that [passage indistinct] draft agreements on air links, cooperation in the field of geodesy and cartography, and in the field of standards were agreed, and also intergovernmental agreements on culture, science, education, information, health care, tourism, sport, and other areas of mutual interest.

Karimov Sees Continued Central Asian Cooperation

LD0403165493 Moscow Ostankino Television First Channel Network in Russian 1500 GMT 4 Mar 93

[By correspondent Shakhnoza Ganiyeva from Uzbekistan; from the "Novosti" newscast]

[Text] Islam Karimov, president of Uzbekistan, held a news conference in Tashkent today. He addressed correspondents from the world's major news agencies. The event was initiated by the Association of Foreign Correspondents accredited in Moscow.

How is democracy developing in the country? Are there any opposition groups who could realistically compete for power? How is the transition to private ownership and a market economy in Uzbekistan proceeding? These and other equally relevant questions were answered by Islam Karimov during the news conference.

In reply to a question about the realistic prospects for cooperation between the Central Asian states, he said:

[Karimov] Central Asia has considerable potential, mainly from the economic viewpoint, so the decision to form new mechanisms for these countries' economic integration is being proceeded with. I am convinced that this process will continue, irrespective of these countries' leaders.

Calls For End To Fundamentalism

LD0403210893 Moscow Radio Moscow World Service in English 1900 GMT 4 Mar 93

[Text] The Uzbek president, Islam Karimov, has declared that the spreading of Islamic fundamentalism in his Central Asian country should be prevented. At a meeting with foreign newsmen in Tashkent, he placed the responsibility for the civil war in neighboring Tajikistan on fundamentalists.

Fundamentalism begins when religion interferes in politics and government, he said, and this does not suit Uzbekistan. However, he stressed the importance of religious principles for the moral improvement of mankind.

Armenia

Parliament To Discuss Convening Constitutional Assembly

OW0403182093 Moscow INTERFAX in English 1706 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] At an extraordinary session scheduled for March 8 the Armenian parliament will discuss convening a constitutional assembly. This decision was made by the parliament presidium on Thursday [4 March].

The opposition, notably the National Self-Determination (NSD) group which holds weekly rallies in Yerevan, has been insisting all along on convening a constitutional assembly.

At the latest rally Paruir Airikyan, the NSD leader, called on a crowd of five to seven thousand supporters to assemble outside the parliament building on March 8 and, if it does not decide on convening a constitutional assembly, to demand resignation of the deputies and president.

Dashnak Movement Supported by 20 Percent of Population

PM0403151193 Moscow ROSSIYSKAYA GAZETA in Russian 3 Mar 93 First Edition p 7

[Vladislav Kurochkin report: "Dashnaks Have Returned to Politics"]

[Text] The ratings of the Armenian Revolutionary Federation (ARF) Dashnaktsutyun are the highest among political parties: Judging by the polls, it has the support of 20 percent of the country's population.

The rules and program of Dashnaktsutyun, which was founded last century during the war of liberation against the Ottoman Empire, and subsequently against czarism, are similar to those of socialist and social-democratic movements in Europe. Dashnak socialism does not reject private ownership, and it supports a democratic and independent Armenia. It was banned for many long years, and it finally became completely legal only 18 months ago.

"We favor diversity in forms of ownership, but we suggest that reforms should not be conducted in the heat of the moment, and especially not in war conditions," Vatan Oganesyan, a Dashnak leader, says.

Stepan Grigoryan, member of parliament and of Dashnak, believes it is unfair to include Nagorno-Karabakh as part of Azerbaijan, but at the same time he says that Dashnaktsutyun does not advocate the return of Karabakh. It should become an independent state, preserving mutually advantageous links with all neighbors.

Dashnaktsutyun supports the CSCE idea of holding a plebiscite on disputed territories and respecting its results rigorously. And it is fighting to restore close political and economic relations with Russia.

Self-Defense Forces Reportedly Control Sarsang Dam

NC0403170793 Yerevan Radio Yerevan in Azeri 1430 GMT 4 Mar 93

[Excerpts] Dear listeners, we now present a report on the latest incidents in the Nagorno-Karabakh Republic [NKR] and the border between Armenia and Azerbaijan.

As usual, Azerbaijan's mass media organs continue to disseminate false reports on the clashes in Nagorno-Karabakh. Despite changes in the Azerbaijani Defense Ministry's Press Service, the information disclosed by that service continues to be untrue. As a rule, distorted information on developments is conveyed to the people through various channels. The truth is that Azerbaijan's military units have suffered many casualties and lost a large quantity of militry equipment in Nagorno-Karabakh, particularly in the battles in Mardakertskiy Rayon.

The Armenian self-defense forces have maintained the military initiative in the region and repelled Azerbaijan's attempts to recapture the towns and heights it has lost. The main operations are around the Sarsang water reservoir in NKR's northern sector. According to reports, the NKR self-defense forces control the heights close to the dam.

Azerbaijan's military units have kept up their attacks. Clashes took place in Mardakertskiy Rayon last night and today. The Armenian freedom fighters rebuffed the enemy attacks near Magavuz, Metsshen, and (Kusabad) and forced the Azerbaijani units to retreat after losing several men and military vehicles.

We reported yesterday that 10 Azerbaijani officers were discovered [word indistinct] in (Khramort) in Askeranskiy Rayon. They surrendered to the Armenian forces. [passage omitted]

According to reports from the NKR, the situation in the other parts of that republic has been relatively peaceful. NKR's self-defense forces are controlling the humanitarian corridor in Lachinskiy Rayon. The traffic on the Goris-Lachin-Stepanakert motorway is moving without incident.

The situation on the border between Armenia and Azerbaijan is tense. Several of Armenia's border rayons have occasionally been fired on from Azerbaijan with various types of arms. For example, Movses, Nerkin-Karmiragyur, Aygepar, and Berd in Tavushskiy Rayon were fired on with [word indistinct], tanks, Grad rocket launchers, and other types of arms at 1800 yesterday.

The self-defense forces in the rayon returned the fire and carried out operations to silence the enemy fire and criminal activities.

Certain forces in Azerbaijan are interested in disrupting the relatively peaceful situation in the border region. That is why they embark on these provocative activities.

Government Spokesman Says Gas Supply Restored 5 Mar

OW0503120593 Moscow INTERFAX in English 1137 GMT 5 Mar 93

[Following item transmitted via KYODO]

[Text] Gas began to be supplied to Armenia at approximately 6:00 [local time] on March 5, the government's press spokesman Vladimir Manoyan told INTERFAX. Repair workers took three days to restore the gas pipeline, which ruptured in the Marneuli region of Georgia on Tuesday [2 March], to working order. The pipeline had already burst four times since January 22.

INTERFAX was informed by the Armenian fuel and energy ministry that only 1.3 Mn [million] cubic meters of gas per twenty-four hours were being supplied to the republic against the required minimum daily consumption of 7.5 Mn cubic meters. Before the pipeline burst 1.8-3.0 Mn cubic meters per day were being received.

Gas is now being channelled into power generating needs. Electricity is being received first by the most important installations such as bakeries and hospitals. Ordinary citizens are not receiving gas or electricity for the time being.

Gas Pipeline Blast, Relations With Georgia Viewed

MK0403140093 Moscow NEZAVISIMAYA GAZETA in Russian 4 Mar 93 p 3

[Liana Minasyan commentary: "Fourth Blast During a Month and a Half. Armenia Proposed to Georgia To Guard Gas Pipeline Together"]

[Text] The pipeline that brings gas to Armenia has been blown up for the fourth time in six weeks. This happened in Georgia's Marneuli district in the afternoon of 2 March. The destroyed 20-meter section of the gas pipeline is 15 km from the Armenian border. Vladimir Manoyan, press secretary of the Armenian Council of Ministers, said that repairs would take two days, and the government would have to ration energy distribution even more severely: mainly at the expense of the population—even before the recent explosion electricity to residential neighborhoods was on for only two hours a day. Armenia will probably have to scrap even this minimal supply of electricity until repairs have been completed so as to keep going several major enterprises recently launched.

During the meeting in Surgut, Armenian Prime Minister Bagratyan proposed to his Georgian counterpart taking under joint guard the section of the pipeline where terrorist acts periodically take place. The question remained open, no answer followed, but then yet another explosion happened the day after Eduard Shevardnadze issued a directive declaring the gas pipeline, railroad, and other facilities through which fuel and freight are moved to Armenia to be installations of extreme importance, and made newly formed police units and state vehicle inspectorate units responsible for ensuring the safe passage of freight.

Incidentally, after the completion of (yet further) repairs to a blown-up section of the pipeline, Georgia had promised that up to 5 million cubic meters of gas would be coming to Armenia via the gas pipeline. In the interlude between the explosions the amount reached 2 million. But properly speaking, the promised "figure" equals the quota set by Turkmenistan on supplies of its fuel to each republic of Transcaucasia. Armenia also has gas supply agreements with Kazakhstan, but under the circumstances it is virtually nonproductive to use the gas pipeline running across Georgian territory.

All these circumstances add up to a rather complicated context for the Georgian head of state's coming visit to Armenia. Bogged down in a war on two fronts, Georgia needs, at the least, to try to persuade itself and its neighbors that it controls the situation on the remainder of the country's territory. The blasts that follow each other with defiant regularity in the Marneuli district, populated mainly by Azerbaijanis, do not bear this out. The border between Georgia and Armenia could turn into another seat of tension, as Azerbaijan President Elchibey indirectly confirmed when he met with intellectuals of Georgian extraction. He said: "Our Georgian friends who are in power should not forget that, if it were not for the People's Front of Azerbaijan, Georgia would have been faced with the need to open a third front." Besides, Georgia has concluded an agreement on fuel supplies from Azerbaijan, in which Armenia is implied a priori as a third, "nonparticipating" side. But all these are peripheral circumstances that can hardly serve as an excuse for the Georgian authorities' inability to control the repeated acts of terrorism against Georgia's other neighbor.

Against the backdrop of strained relations with Russia and the Russian military, Eduard Shevardnadze, most surely, wishes to secure a guarantee of at least regional mutual understanding, in particular through his trips to Baku and Yerevan. Georgia's domestic problems, however, make it rather dependent on its relations with its nearest neighbors, where "two minus one" is impossible in any combination, and the three republics cannot be "added together" at the moment in any way.

Ter-Petrosyan Visit to France Delayed

OW0403222793 Moscow INTERFAX in English 2003 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] According to his press service, Armenian President Ter-Petrosyan will start his visit to France to on March 10, provided the French Government consents to this.

The visit was originally scheduled to begin on March 4 or 5 but was postponed at the French Government's request.

Azerbaijan

Armenian Attack on Khodzhavendskiy Rayon Repelled

NC0403191293 Baku Radio Baku Network in Azeri 1700 GMT 4 Mar 93

[Text] The Azerbaijani Defense Ministry's Analytical Information Center issued the following communique today:

The fighting around the Sarsang dam continued until nightfall on 3 March. The fighting in Agderinskiy Rayon [words indistinct].

The Armenian military units attacked our positions in Khodzhavendskiy Rayon from Karadzhukh Mountain at 0200 today. The Azerbaijan National Army units repelled the attack and forced the enemy to retreat at about 0700.

The situation in the other parts of the frontline was peaceful last night.

Committee Approves Creation of National Army

NC0403211693 Baku TURAN in English 1424 GMT 4 Mar 93

[Text] Baku, March 4 (TURAN)—Today the military doctrine of Azerbaijan is approved by the State Committee of Defence headed by the president of the country. It is stressed in document that Azerbaijan intends to conduct a peaceful policy in the relation with all neighbouring countries. At the same time Azerbaijan creates its own national army proceed from the necessity of the defence of its population and territorial integiry.

The Azerbaijan Army is created only for the purpose of defence from the foreign aggression. By this the principle of non-interference into political affairs is one of the main principles of military doctrine of the republic.

It is mentioned in document that the process of the formation of Azerbaijan Army is a component of creation of independent state. The armed forces of Azerbaijan are created according to the UNO Charter, total statement of CSCE, Helsinki Declaration of 1992 and other international documents.

Representative Accuses Armenia of Human Rights Violations

OW0403165893 Moscow INTERFAX in English 1648 GMT 4 Mar 93

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—following item transmitted via KYODO]

[Text] Shakhin Aliyev, the chief of the presidential legislature and legal expertise section, reported to our Interfax correspondent that in the near future President Abulfaz Elchibey is to submit a package of documents on the Geneva convention on human rights to the parliament for ratification. In Aliyev's words, this decision was made as a result of the conference of the human rights commission which completed its work in Geneva. The Azerbaijani delegation participated in its work.

Aliyev also reported that he informed the international commission at its Geneva meeting about "the unbearable status of Azerbaijani prisoners of war on Armenian territory." Aliyev said that the Azerbaijani delegation addressed the UN human rights commission with a request to send its representatives to Armenia as soon as possible to examine the "unbearable" attitude towards Azerbaijani prisoners of war.

Elchibey's representative also underlined that he had informed the international public about "the Khodzhaly genocide." According to his estimation, "this tragedy can be compared with fascist crimes during the Second World War."

IF [INTERFAX] Note: In his address to mark the first anniversary of Khodzhaly's seizure (a city in Nagorno-Karabakh) by Armenian armed formations, Elchibey called for the development of a special legal document which, as he says, will help the world to learn the truth about the Karabakh war and to restore historic truth and justice. The President qualified the seizure of Khodzhaly by the Armenians (February 26, 1992) as "a grave crime in history." He pointed out that over 2,000 residents of the city were killed, wounded or imprisoned and that about 10,000 people became homeless refugees. Elchibey also believes that on the whole more than 230,000 people were forced to resettle as a result of this action.

Nakhichevan's Aliyev Thanks Turkish Embassy for Aid

NC0403204793 Baku ASSA-IRADA in English 1114 GMT 4 Mar 93

[Text] Baku, 4 Mar (ASSA-IRADA)—Geydar Aliyev [chairman of the Nakhichevan Autonomous Republic's

Supreme Mejlis] for the first time visited Turkish Embassy in Azerbaijan on Ambassador Altan Karamanoglu's invitation.

Geydar Aliyev thanked the Turkish republic leadership for help which has been delivered to blockaded Nakhichevan for long time, Mehmet Ali Bayar, the first secretary of Turkish Embassy in Baku told the correspondent of ASSA-IRADA Agency. The problem on the order of reciprocal entrance and exit of Azerbaijanian and Turkish people without visa, which had already been introduced in Nakhichevan was touched upon during the meeting. The lack of private passports in Azerbaijan lays obstacles to it. The Turkish side has already announced a readiness to begin the printing of new passports, Mehmet Ali Bayar pointed out, but order from Azerbaijan hasn't been received.

Turkey To Deliver Fuel 'Next Week'

NC0403203893 Baku ASSA-IRADA in English 1114 GMT 4 Mar 93

[Text] Baku, 4 Mar (ASSA-IRADA)—Turkey will deliver gratuitous urgent assistance to the freezing Nakhichevan from the end of the next week. 22 thousand tonnes of Masut [fuel oil] will be delivered from Turkey to autonomous republic blockaded by Armenia, Altan Karamanoglu, Turkish Ambassador, told ASSA-IRADA correspondent.

Aliyev Says 'Alliance' With Elchibey 'Exaggerated'

NC0403210193 Baku TURAN in English 1424 GMT 4 Mar 93

[Text] Baku, 4 March (TURAN)—"Information of my alliance with Abulfaz Elchibey are exaggerated," said in his talk with the TURAN correspondent Chairman of the Supreme Mejlis of Nakhichevan Geydar Aliyev. At the same time he marked that his relations with the president of Azerbaijan "changed for the best." Aliyev explicated that he is ready to render support [to] any leader trying to help the country out of the present situation. But, in addition he said that "improvement of relations between me and Elchibey does not much affect the improvement of the situation in Azerbaijan."

Aliyev neither confirmed nor refuted the information according his meeting with Elchibey in the course of which he was suggested by one of the highest state post. [sentence as received] But he refuted the information of his meetings in Moscow with somebody of the leadership of Russia.

Concerning the Armenian-Azerbaijani conflict, Aliyev said that it is important to cease the war and to solve the problem by the ways of political methods. But he did not explain by which ones in particular and added: "If somebody appeals to me, I am ready to secced [as received] by regulation of this problem."

Aliyev informed that the party headed by him "new Azerbaijan" will take part in the parliamentary elections and by all means will get the most considerable number of places in the highest body of the country. But according his opinion, elections in the present situation can not be carried out. By Aliyev's words the present political, economical and social stragegy of the authority needs a serious correction.

Touching upon the issue of internal policy, chairman of the Supreme Mejlis of Nakhichevan marked that the Russian interests in the Transcaucasus is the factor which influence the events in Azerbaijan, Georgia and Armenia.

Georgia

Shevardnadze Meeting With Russian Leadership Urged

LD0503045193 Moscow Radio Rossii Network in Russian 0400 GMT 5 Mar 93

[Text] The need for confidential meetings between Georgian leader Eduard Shevardnadze and Russian President Boris Yeltsin, Russian parliament Chairman Ruslan Khasbulatov, and possibly Russian Defense Minister Pavel Grachev, in order to tackle the most important issues in Russo-Georgian relations, has come to a head, said Georgian Foreign Minister Aleksandr Chikvaidze in an interview with an ANI correspondent.

In this context, he supported Georgian Defense Minister Tengiz Kitovani who made this suggestion at the Georgian parliament session on 4 March. Chikvaidze could not predict whether a thaw would begin in Russo-Georgian relations. At the same time, in his words, the main task today is immediately and tactfully to tackle current problems of mutual relations with the northern neighbor.

Shevardnadze Meets Ochamchira, Gali Rayon Leaders

AU0503112093 Tbilisi Radio Tbilisi Network in Georgian 0400 GMT 5 Mar 93

[Text] The Abkhazian Analytical Information Center (AAIC) informed the CONTACT news agency that, early on 4 March, Georgian head of state Eduard Shevardnadze traveled to Ochamchira, where he met civilian and military leaders. He met with the fighters of one military subunit and the population of Ochamchira. Then, Batoni [Georgian polite form of address] Eduard Shevardnadze travelled to Gali Rayon, where he had a meeting with the rayon's leaders and active members of the economy.

Air Force Attack on Abkhazia Reportedly Kills 9

OW0403145493 Moscow INTERFAX in English 1436 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Preliminary data indicate that nine people, mainly women and children, were killed as a result of the Georgian Air Force's rocket and artillery bombardment of the residential quarter of the city of Novyy Afon and the villages of Verkhnyaya Eshera and Psyrtskha in Abkhazia which took place in the morning of 4 March. The information was provided to INTERFAX by the press service of the Abkhazian representative in Moscow.

Gudauta reports that Abkhazian partisans are continuing an offensive in the Ochamchira region of Abkhazia. The Abkhazian Ministry of Defense contends that in the past 24 hours, up to 100 Georgian servicemen have been killed; a tank, an armored personnel carrier and an artillery emplacement have been destroyed; mortars, machine guns, radios and a large amount of ammunition were also reported captured.

The ministry further states that Abkhazian military operations in the Ochamchira region are being carried out in cooperation with detachments of supporters of former Georgian President Zviad Gamsakhurdia in Western Georgia.

Martial Law Introduced in 2 More Abkhazian Regions

OW0403144993 Moscow INTERFAX in English 1437 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] On Thursday [4 March] the Georgian parliament adopted a resolution to introduce martial law in the Gali and Gulripsh regions of Abkhazia. This resolution was adopted on the proposal of Georgian leader Eduard Shevardnadze during a visit in Abkhazia. Martial law is already in force in the cities of Sukhumi and Ochamchira.

Russian Battalion Withdraws From Laboratory Complex

OW0403180893 Moscow INTERFAX in English 1706 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Russia and Georgia have agreed to remove the Russian airborne division from the village of Nizhnaya Eshera in Abkhazia. The battalion was protecting a military laboratory there. Interfax received this announcement from Aleksandr Kavsadze, the chairman of the Georgian International Relations and Human Rights Committee Thursday [4 March]. Kavsadze had returned from Moscow a few days ago.

Kavsadze said that the schedule for the withdrawal of the battalion would have to be decided. For the withdrawal period, he continued, all hostilities by the Georgians would have to end in the Nizhnaya Eshera region. The Russian side, he said, would take responsibility for any Abkhazian actions during that period.

The laboratory, which is located in a hostility zone, has several times been subjected to artillery fire resulting in casualties among the Russian servicemen.

Kavsadze said that he had been holding consultations in Moscow about the situation in Abkhazia on the instruction of Georgia's leader Eduard Shevardnadze. The consultations were attended by Deputy Russian Foreign Minister Boris Pastukhov, Feliks Kovalev, the head of the Russian delegation at the talks in Tbilisi, Colonel-General Aleksandr Galkin, the head of the Russian military delegation at the Tbilisi talks, and Vice-Premier Sergey Shakhray.

The two sides agreed to exchange plans within a week for a settlement in Abkhazia. The Georgian vice-premier said that the Tbilisi authorities' plan would be based on the principles for a settlement agreed between Russia and Georgia in Moscow on September 3, 1992.

Kavsadze also announced that the two sides had planned to discuss the issue of refugees from Abkhazia at the fourth round of talks which begins in Moscow on March 9.

Party Protests Withdrawal

OW0403181493 Moscow INTERFAX in English 1706 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] A telegram to the Russian Foreign Minister Andrey Kozyrev sent by the Abkhazian leader Vladislav Ardzinba cites that the Abkhazian party "resolutely objects" to the withdrawal of the 21st special laboratory of the Russian army and the paratroopers unit guarding this laboratory from Abkhazia's territory. This telegram was sent in response to a draft of a tripartite agreement on the withdrawal of paratroopers received from the Russian Foreign Ministry in Gudauta on Thursday [4 March].

Ardzinba declared that the Abkhazian side evaluates these plans "presented as a measure to establish peace in this region" as "an assistance in implementation of genocide with respect to the Abkhazian people," which is undertaken despite the resolutions of the Russian parliament and statements of senior officials of Russia's government.

People who support this decision will be responsible for possible consequences of Russian forces withdrawal from Abkhazia, Ardzinba states.

Abkhaz Justice Ministry Appeals to Russian Counterpart

AU0503115293 Tbilisi Radio Tbilisi Network in Georgian 0400 GMT 5 Mar 93

[Text] The CONTACT NEWS AGENCY has informed us that the Ministry of Justice of the Autonomous Republic of Abkhazia has sent an appeal to the Russian Ministry of Justice and to all Russian lawyers, in which it is stated:

Following the collapse of the totalitarian regime, the former republics of the Soviet Union, including Russia and Georgia, have embarked upon the path of civilized and just development. In spite of this, the recent statement by Russian leaders, requesting that the international community grant emergency powers to Russia so that it can regulate interethnic conflicts in the republics of the former Soviet Union, causes surprise. We call upon you to extinguish the (?fervor) of individual [word indistinct] politicians and convince them that no one can turn back the pages of history and allow Georgians and Abkhazians to resolve their own internal problems by themselves and establish equal, goodneighborly, mutually advantageous, and civilized relations with Russia.

Israeli Links With Georgia, Russia for Oil, Arms

PM0503111793 Moscow SOVETSKAYA ROSSIYA in Russian 4 Mar 93 p 2

[Yuriy Lakerbay report under the rubric "From the Dossier of Swindles": "Russian Howitzers From Tel-Aviv?"]

[Text] Israeli businessman Ya'agov Nimrodi was received in Tbilisi as a dear guest and given the red carpet treatment. He flew to the Georgian capital from Moscow on a specially chartered aircraft at the personal invitation of Eduard Shevardnadze, speaker of the Georgian parliament. The businessman was accompanied by a certain Ilya Grigoryevich Zemtsov, former aide to Geydar Aliyev and a former USSR citizen who presents himself as an adviser to the Jewish state. Although Zemtsov is involved in strictly entrepreneurial activity in Israel, this did not prevent him from receiving the diploma... of esteemed doctor of sciences from a Russian Academy institute. For what reason, God alone knows, and maybe also the president of the Russian Academy of Sciences.

In Moscow Nimrodi and Zemtsov were interested in oil. From the point of view of Israel's needs, of course. However, the "adviser" well understood what a ticklish question this is; after all, such a contract could lead not simply to the cooling of relations, but to confrontation between Russia and the Arab world.

As for the Tbilisi regime, it has its own concerns. Shevardnadze's clique can remain in power only at bayonet point, and therefore it cunningly looks for sources of arms and munitions. The intransigent position of Russian deputies only whips up their efforts in this search.

And so Georgia officially appealed to Israel in its search for a source of arms deliveries. For the "defense of democracy," of course. But this "defense" bears such a bloody character that even the Israeli authorities, who are also not adverse to portraying themselves as wielders of the olive branch, were forced to reply with a refusal. Through official channels. Ya'agov Nimrodi, however, is not the prime minister but an "entrepreneur." Here, incidentally, are a few facts from his biography. At one time he headed the military attaches' apparatus in Iran, where he won the reputation of a major arms dealer. He became one of the heroes of the notorious "Irangate" operation. Moreover, he managed to come through unscathed. He has made considerable capital in the military business.

In this context the honors accorded to him in Tbilisi look entirely logical. Moreover, unlike the official authorities in Israel, the peacemaker's toga and laurel crown are nothing to Ya'agov Nimrodi. He is not at all embarrassed by the fact that Shevardnadze's bloody regime intends to use the arms for genocide—the annihilation of another people. For aggression in Abkhazia and South Ossetia, for massacres in Adzharia and Mingreliya, and also for genocide against the concentrated populations of Azeris and Armenians living in Georgia.

But the most blasphemous thing of all is, perhaps, the mechanism of the potential deal.

It is not secret that Russia is supplying Georgia with oil. Surpluses of the "black gold" cross the border with the aid of a business intermediary with wide connections: The tankers are loaded and course is set for the Dardanelles. Do you understand where? In the final analysis, for Israel. That is the road taken by the oil. Let us stress—Russian oil! And as for the path taken by the arms—Israel, the Dardanelles, the Black Sea, the Georgian coast...

It may be objected: This whole swindle will easily be exposed: After all, Israel's trademark will be on the death-dealing devices, and it has officially refused to deliver arms to Georgia. So the criminal tradesmen can be nabbed. However, what makes you think that weapons made in Israel will be delivered? The trademark on them could well be Russia's! And here we have a true piece of mysticism: Russian-made guns from Tel-Aviv in exchange for Russian oil from Tyumen! What intricate schemes you get in business!

Estonia

Latest Round of Talks With Russia Continues

Russian Chief Negotiator Comments

OW0303181993 Moscow BALTFAX in English 1647 GMT 3 Mar 93

[Following item transmitted via KYODO]

[Text] Some progress can be made in the latest round of Russian-Estonian talks now under way at Lohusalu outside Tallinn, though there are signs of stalling if not toughening of Estonia's positions, Russia's chief negotiator Vasiliy Svirin told Baltfax on Wednesday [3 March].

Speaking at the end of two days of talks, the Russian diplomat said some progress had been made in the humanitarian area. He said the two sides meeting on Thursday would probably initial draft agreements on technological cooperation, exchange of information about those who wanted to find employment on either side, and the return of illegal immigrants to their country of origin.

Svirin also spoke of Estonia's reneging on earlier agreements. Tallinn had reaffirmed its refusal which it made in the previous round to ease border controls for Russians and Estonians residing in border areas. Estonia has now proposed to limit the number of regions and categories of people falling under the agreement.

The Russian negotiator accused Estonia of trying to bring out some "thought-up issues" including Russia's alleged discrimination of Finnish-Ugric peoples on its territory. Svirin warned against attempts to use the Ugric card saying this could hardly help improve bilateral relations.

There are no signs of shift in military and border issues either, Svirin said, because Estonia has toughened its stand linking the question of social security nets for Russian servicemen to the timetable of Moscow's pullout from its territory.

Laar on Russia's Reluctance

OW0303193993 Moscow BALTFAX in English 1909 GMT 3 Mar 93

[Following item transmitted via KYODO]

[Text] In the opinion of the Estonian prime minister, Mart Laar, Russia's incumbent government is reluctant to conclude any mutually advantageous economic agreements with Estonia.

According to the Estonian president's press service, in addressing the conference of the Central Union of Consumer Societies, Mr Laar said that the Estonian government was not reneging on the options to trade with the East, averring that it takes the goodwill of both sides to conclude conformable agreements.

'Improved' Atmosphere Noted

WS0403122093 Tallinn ETA NEWS BULLETIN in English 1047 GMT 4 Mar 93

[From 4 March 1993, RAHVA HAAL and PAEVALEHT p 1]

[Text] 4 March 1993—Leader of Estonian delegation Juri Luik told ETA on Wednesday [3 March] that the agreement on scientific-technical cooperation and the one on illegals (i.e. information exchange on persons arriving illegally in the countries and their exchange) are ready to be initialed.

Military work groups decided to form special groups for solving the problems connected with Paldiski nuclear reactor, the head of Estonian group is Mark Sinisoo. Secretary of the Estonian delegation at the negotiations Ago Tiiman told PAEVALEHT that "both delegations have come to a point in the negotiations where only principal questions have remained to be discussed." These are citizenship in the humanitarian work-group, borders in the border work-group and troop withdrawal in the military work-group. Concerning the military work-group, Tiiman said it is most probable that "the troops will leave Estonia without any agreement at all, as one-side act. This proves that the negotiations have no influence on troop withdrawal." It means the troops will be pulled out according to one-side regulations and plans. Estonia will get no information at all on the course of withdrawal and only cooperation and compassion is asked from the occupied country.

Luik said that the atmosphere has improved compared to the last session of negotiations probably due to international influence on Russia. Head of the Russian delegation Vasiliy Svirin agreed that some kind of success was made in humanitarian issues. At the same time some going back could be noted at lots of other issues, taking the agreement on coherent areas and border-crossing orders there which Estonia had refused to sign at the last session. According to Svirin, the Estonian delegation "is trying to raise invented problems" like blaming the violation of human rights of the Finno-Ugric peoples.

Tiiman said it seem that the Russian delegation has really no credentials to make their own decisions, everything seems to be decided somewhere else and therefore the delegation is not able to come to an agreement in principal problems.

Free Trade Agreement Suspended

WS0503121593 Tallinn ETA NEWS RELEASE in English 0929 GMT 5 Mar 93

[Text] Tallinn, 4 March 1993—A free trade agreement signed between Estonia and Russia in 1992 has been suspended, negotiators at Estonian-Russian talks announced on Thursday [4 March]. "The relations between our two countries are so complicated now that we had to take the step," said Vasiliy Svirin, head of the Russian delegation at Estonian-Russian talks. He was

speaking at the joint Estonian-Russian press conference at the end [of] another round of talks at Lohusalu, near Tallinn. Juri Luik, head of the Estonian delegation, said the negotiating delegations signed a special protocol to replace the free trade agreement until a further solution is found.

Delegation heads said no substantial progress was made on the main issue, the Russian troop pullout. "We are not at all happy with the deadline of the end of 1994 for the withdrawal of the 144th Motorised Rifle Division from Tallinn," Mr. Luik said. Like the other two Baltic States, Estonia wanted Russian troops to leave its capital Tallinn by the end of 1992.

Mr. Luik said there were major differences at negotiations over the interpretation of the 1920 Tartu Peace Treaty. "Russia does not want to understand what actually happened in 1939 and 1940," Mr. Luik said, in a reference to Russia's unwillingness to recognize the 1940 Soviet annexation of the Baltic States. Mr. Svirin said he was "shocked" by the changes introduced by Estonia into the draft agreement on military issues.

Citizen League Condemns Kozyrev Statement

WS0303155093 Tallinn ETA NEWS BULLETIN in English 1150 GMT 3 Mar 93

[From 3 March 1993, PAEVALEHT p 3]

[Text] 3 March 1993—The "Estonian Citizen" League (EKL) condemned the interference of Russia's Foreign Minister Andrey Kozyrev in the interior affairs of the independent Republic of Estonia with his statement claiming that the action of organizations protecting ethnic people and citizen of Estonia as well as the process of decolonization might "seriously harm relations between Estonia and Russia."

The "Estonian Citizen" have taken a standpoint that Russia's rude interference in Estonia's interior problems might be the cause for harming relations between the two countries. "The citizen of an occupying country who resettle to the occupied country according to the orders of the occupying country as well as their successors are illegal immigrants according to international norms. No state has given political rights like participation in elections to illegal immigrants. This could not be asked of Estonia," the press release of "Estonian Citizen" reads. EKL considers it important to defend human rights of all Estonian inhabitants, including illegal immigrants.

The EKL hopes that the government of the Russian federation will understand that Estonia is no colony any more where the colonizing powers can order around. EKL thinks that the relations between Estonia and Russia could be friendly if the Russian Federation starts treating Estonia like a fully independent country, pulls out the remaining troops, recognizes the borders and stops violation of human rights of Fenno-Ugric nations.

Justice Minister Urges Legal Assessment of Former KGB

OW0503122993 Moscow BALTFAX in English 1140 GMT 5 Mar 93

[Following item transmitted via KYODO]

[Text] Before passing laws on punishing former Communist Party functionaries and KGB agents, one should give a legal assessment of these organizations. "In Estonia everything goes the other way round," Estonian Minister of Justice, Kaido Kama, told the newspaper PAEVALEHT. He said that the draft law on exiling former KGB agents, if they are not citizens of Estonia, and on trying Estonian citizens, who collaborated with the KGB, "for espionage and high treason" disregards the fact that before punishing anyone for the past activity one should give a legal assessment of the organizations they worked for.

At the same time, he said that it was too late to organize a trial similar to the Nuremberg trial.

He said that all applicants for Estonian citizenship were checked by the Estonian security police which has compiled a list of former KGB agents. Those people have been denied Estonian citizenship, he said.

The minister also pointed out that those of the former KGB people who had used methods going against the Soviet laws should be punished. He also proposed that conditions for the rehabilitation of former KGB agents should be created. "They must have an opportunity to appeal to a state organization, for instance to the state court, for the recognition of their guilt and for receiving guarantees that former colleagues would not blackmail them," he said. Thus, many people would rid themselves of the burden of the past, while the state would receive information it needs so badly, he added.

Velliste Meets With Hurd, Hogg in UK

WS0503100093 Tallinn BNS in English 0756 GMT 5 Mar 93

[Text] Tallinn, Mar 04, BNS—Estonian Foreign Minister Trivimi Velliste returned today from a visit to Great Britain where he met with his British counterpart Douglas Hurd and Minister of State Douglas Hogg.

Velliste also met members of the Foreign Affairs Commission of the House of Commons and the British ministers of state for armed forces and transport.

Officials met to discuss several aid programs and training courses, but Velliste said no concrete agreements were signed.

He said Britain is ready to organize courses for Estonian police, border and defence officials, as well as for employees of the Foreign Ministry's information department.

Apart from the official negotiations, Velliste visited the European Bank for Reconstruction and Development (EBRD), and the Thomas de la Rue printing house, which printed banknotes and passports for Estonia. He also spoke at the Institute for East European and Slavic Studies.

Discusses Russian Minority

WS0503101093 Tallinn BNS in English 0756 GMT 5 Mar 93

[Text] Tallinn, Mar 04, BNS—Estonia has undoubtedly won the battle over the so-called Russian minority issue, Foreign Minister Trivimi Velliste said.

"Our victory is absolute on the official level; also the journalists have begun to understand us better," Velliste said after returning from an official visit to Great Britain.

The foreign minister said all officials he had met in London, including his British counterpart Douglas Hurd and Minister of State Douglas Hogg, expressed full support to Estonia's admission to the Council of Europe still in this year.

Velliste added that the interest in the situation of Estonia's Russian-speaking population has remained but "our arguments already meet complete understanding among persons competent in the issue."

Requests EBRD Support

WS0503101193 Tallinn BNS in English 0756 GMT 5 Mar 93

[Text] Tallinn, Mar 04, BNS—Estonia hopes to receive financial support from the European Bank for Reconstruction and Development (EBRD) for the dismantling and transportation from Estonia of the nuclear reactors located at an ex-Soviet base in Paldiski, Foreign Minister Trivimi Velliste said.

"At a recent meeting with the EBRD leaders in London, aid from the Bank for building a railway branch to Paldiski was discussed. The railway could be used for transporting the dismantled reactors," Velliste said at a press conference today.

He said Estonia turned to the EBRD namely because the Bank has special funds made available for the reduction of radiation risks. "It's from EBRD, if from anywhere at all, that we can get money for this," he added.

Ruling Coalition Calls For Party Political Dialogue

OW0503121393 Moscow BALTFAX in English 1141 GMT 5 Mar 93

[Following item transmitted via KYODO]

[Text] Estonia's ruling coalition (which includes the Isamaa, National Independence, and moderate parties) has called other political parties in the country to engage in a series of "round table" sessions. In a Thursday [4 March] speech on national radio, Prime Minister Mart Laar spoke on behalf of the coalition and suggested holding a first round of meetings on Friday 12 March, to be dedicated to property reform questions.

Latvia

Gorbunovs Comments on Yeltsin Appeal to UN

WS0303134593 Riga LETA in English 1129 GMT 3 Mar 93

["Statement by Anatolijs Gorbunovs in the Connection With the Appeal to International Organizations Made by Russian President Boris Yeltsin"—LETA headline]

[Text] Riga, March 3 (LETA)—According to the press service of the Latvian Supreme Council, on March 2 the Chairman of Latvian Supreme Council, Anatolijs Gorbunovs, visiting in Paris, made a statement to French president Francois Mitterrand, and French Government calling them not to support the revival of Russian hegemony in the Baltics.

The statement said: "We are worried about the reports released by world news agencies about the appeal of Russian President Boris Yeltsin to international organizations including U.N., to grant Russia special authorities to act as "A guarantor of peace and stability" on the territory of the former USSR. It is already known that Ukrainian government has objected to this statement.

Latvia regards it as an attempt to legitimate the presence of Russian military force and eventual activities on the territories of other countries.

Latvia is well aware of the difficult internal situation in Russia but it denies the possibility to resolve it by means likely to cause unpredictable consequences in future.

As to the Baltic states, the presence of Russian troops is one of the key factors destabilizing political and economic life there.

Although the notion "the territory of the former USSR" cannot be objectively referred to the Baltics, the threat that North-West army subdivision stationed there might undertake autonomous and uncontrollable activities is real.

Such possibility is proved by the recent past when in January and August of 1991 this army openly acted against sovereignty of Latvia.

Even today the North-West army division supports the activities of series of official and unofficial organizations set up in Latvia and aimed to overthrow the state system in Latvia as well as in democratic Russia.

The recent developments in Russian foreign policy provide grounds for us to presume that process regarded as admissible by Russian Foreign Minister, Andrey

Kozyrev, in the first part of his speech in Stockholm on December 14, 1992, has started coming true. We believe that even Russia's eventual readiness to promote solution of the conflict in the former Yugoslavia would not justify the granting to Russia the authorities to act on the territory of other sovereign states."

Gorbunovs Returns From France, Comments on New Treaty

LD0403150893 Riga Radio Riga Network in Latvian 1000 GMT 4 Mar 93

[Excerpt] This morning, at the Supreme Council, a news conference was given by the Latvian delegation that returned from France yesterday evening. As already reported, a friendship and cooperation treaty was signed in Paris on 2 March between Latvia and France. This is How Anatolijs Gorbunovs, chairman of the Supreme Council, described the treaty at the news conference.

[Begin Gorbunovs recording] Summing up the signing of this treaty, I would like to express my view that the fact that France and Latvia have signed this treaty of understanding, friendship, and cooperation just at this time, it is irrefutable that France is demonstrating political support for Latvia. And this could be felt throughout the visit. We felt that they understand Latvia's domestic or external policies. In the first place our embassies—I think the French Embassy here, as well as the Latvian Embassy in France—have provided enough information, and we felt that the French side understood that Latvia could be in a very complex period now.

The fact that this treaty is seen as definite support, in the first place political support for Latvia, is demonstrated by the very points of the treaty, such as Paragraph 6, about immediate mutual consultations in the event that the state of peace of one or other of the parties is threatened. Other paragraphs in this treaty, too, open up cooperation not only in the political sphere. Of great significance, too, is the question related perhaps to specific contacts in the military sphere. This too will be one of the perhaps most serious spheres of cooperation, and once again meeting the minister of defense, Pierre Joxe, we again specified that this treaty will be signed in March.

Of course, other paragraphs of this treaty, too, open up very broad opportunities for cooperation for Latvia, but perhaps I ought to point out the following as well: That this cooperation, and this favorable and friendly atmosphere that we felt in France—that it applies to Latvia as well, is a very great achievement, and just in the field of cooperation, here too this favorable climate has been created. [end recording]

Also in the Latvian delegation was Minister of Economic Reform Aivars Kreituss. We continue with a short fragment of what he said about the results of the visit to Paris.

[Begin Kreituss recording] This treaty of friendship and cooperation of course encourages those with more money to come to our country, and those who hitherto saw a certain instability—there is the question of buying land, there is the question of monetary stability, and so on—we think had their doubts dispelled. [end recording] [passage omitted]

Government Introduces New Currency To Replace Ruble

LD0503123793 Moscow ITAR-TASS in English 1142 GMT 5 Mar 93

[By ITAR-TASS correspondent Galina Kuchina]

[Text] Riga March 5 TASS—Latvia introduces [a] new currency, the lat, as of March 5, 1993. The first banknote worth 5 lats will be followed by many others. By summer the new currency is expected to fully replace the existing Latvian roubles.

Latvian Prime Minister Ivars Godmanis and President of Latvian Bank Einar Repse said the new currency is being introduced for a number of reasons. For a long period of time the Latvian rouble remained stable against the dollar with inflation rates going down from 67 per cent last January to 2.6 per cent in December.

In January 1993, price increases did not exceed 4 per cent. "The process of economic recovery has begun, therefore it's high time to introduce the lat," Repse said. "We have given up the tough practice of linking Latvian money to one of hard currencies which puts great responsibility on the economy," the prime minister said, adding that it was no longer necessary since there is no problem of devaluation in Latvia.

However, opinions differ on that score. Parliament Deputy Stanilsav Buka believes it is too early yet to speak about the beginning of economic prosperity relying on disparate facts alone. He said that inflation was slowing down, but on the verge of precipice, where the Latvian economy is heading, all processes tend to slow down, including inflation processes. He believes that bankruptcy of enterprises and mass unemployment lie ahead.

In Buka's opinion, the move is a political bait in the run-up to parliament elections due in summer - as it shows that another attribute of an independent state - its own currency - has appeared. Besides, the IMF demand that Latvia distances itself from the Russian rouble has been fulfilled, since that was the main requirement for Latvia to receive credits in future without which it cannot survive, taking into account Latvia's own fully exhausted resources.

Indulis Ozols, deputy chairman of parliamentary Budgetary Commission, is pessimistic as well, since the budget is on the verge of collapse which, as he put it, is a natural outcome of the economic crisis." [quotation

marks as received] According to Ozols, IMF recommendations merely strengthen this tendency.

However, "the responsibility for the economic situation rests with the government," believes the president of the Latvian Bank. He thinks his duty is to save "tough" money, therefore the bank is reducing the dollar exchange rate day by day.

Today, only four loaves of bread can be bought with one dollar in Latvia, while in Moscow - 25 loaves.

"But even one dollar will not be enough to buy one lat, since the lat is worth more," Latvian officials proudly declare.

Godmanis, IMF Officials Discuss Loan, Inflation, Budget

WS0503122593 Riga LETA in English 1550 GMT 4 Mar 93

[Text] Riga, March 4 (LETA)—The Chairman of the Latvian Ministers Council Ivars Godmanis, Finance Minister Elmars Silins and Deputy Finance Minister Uldis Osis on Thursday [4 March] met with a mission of the International Monetary Fund, led by Leif Tangen. During the meeting the mechanism and conditions of using a loan granted by the group-24, were discussed. The plan which had been accepted by the Latvian Government, was approved by the experts of the International Monetary Fund.

Talking about inflation rate during the two months of this year, the Latvian prime minister expressed concern that prices had soared sharply and unreasonably in some branches of Latvian economic, where the monopoly was being held by a sole enterprise. The experts of the International Monetary Fund expressed the view that in this situation prices should be regulated by measures taken by department of supervising monopoly and encouraging competition. Another advice was to cease limiting imports which would lead to competition in setting prices among home enterprises and foreign manufacturers.

The talks focused on discussions on draft budget which had been submitted to parliament. The issue is the main obstacle which hinders further work on the programme of the IMF and receiving loans. Leif Tangen, the head of the mission, stressed that an agreement on the budget deficit could be stricken with the International Monetary Fund only if the Latvian Government set up a mechanism for enlarging the active part of the budget. The experts expressed the view that to achieve this, a turnover tax should be increased and procedure of cashing-in all kinds of tax should be brought to order. The experts of the IMF pointed out that even if the present parliament would not support the idea of raising the turnover tax, which in Latvia was the lowest among the other countries of the Eastern Europe, the new legislature and government would not help but pass the motion.

The next meeting with the mission of the International Monetary Fund is due to take place next week, after parliamentary discussions of the draft budget.

Parliament Approves 80 Million in EC Credits

OW0303182093 Moscow BALTFAX in English 1647 GMT 3 Mar 93

[Following item transmitted via KYODO]

[Text] The Parliament in Riga on Wednesday [3 March] approved an ECU [European currency unit] 80 Mn [million] EC credit to Latvia following an agreement that the EC and the Bank of Latvia signed on January 8.

The credit is to be used for Latvian imports of fuel, raw materials, equipment and technologies.

Parliament Considers Bill on Right To Vote

OW0503122093 Moscow BALTFAX in English 1141 GMT 5 Mar 93

[Following item transmitted via KYODO]

[Text] The Presidium of the Supreme Council of Latvia on 4 March sent a parliamentary committee a bill prepared by Deputy Ivars Silars on changes in the 5th Sejm's law on elections. The draft law stipulates that citizens of the Latvian Republic who were permanent or temporary employees, agents, or residents or owners of secret addresses of the Defense Ministry or KGB of the USSR are to be denied the right to be elected to the Sejm.

According to the bill, candidates for the Sejm are to submit a declaration to the Central Electoral Committee stating that they do not fall into the above categories.

'Union of Agriculturists' To Join Election Campaign

WS0303145293 Riga LETA in English 1129 GMT 3 Mar 93

[Text] Riga, March 3 (LETA)—Latvian Union of Agriculturists has joined the campaign of the 5th Parliamentary Elections in the Republic of Latvia.

It has decided to form a separate list of candidates representing economic circles. The list will include well-known specialists of agricultural and industrial production, farmers and scientists as well as representatives of other branches of economy regardless of their membership in any political organization.

Details of Prisoner Exchange Agreement With Russia

OW0403174193 Moscow INTERFAX in English 1653 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] On Thursday, March 4, Latvian General Procurator Janis Skrastins and Russian General Procurator Valentin Stepankov signed an agreement in Moscow on the mutual exchange of convicted criminals.

The agreement stipulates that citizens of Russia and Latvia who committed crimes and were convicted in the other country be sent back to their native land to serve their sentences.

The exchanges will be made only with the consent of the convicted criminal and after the court sentence legally goes into effect. According to the agreement, the two countries will be responsible "for seeing that the punishment is continued."

Only the state which originally sentenced the criminal may review the punishment. However, both sides agreed that pardons and amnesties for the extradited criminals may be granted independently.

The agreement will also apply to persons convicted before it was signed.

The press service of the Russian procurator's office told Baltfax that the two procurators had already exchanged lists of convicts to be extradited.

The list of Russian citizens to be extradited includes former deputy commander of Riga's OMON [Special Purpose Militia Detachment] forces Sergey Parfyenov, who was convicted of various crimes during the tragic events of 1991 in Latvia and sentenced to two years imprisonment. Latvia is asking for the extradition of 7 citizens.

Lithuania

Social Democrats Against 'Consulting-Policy Council'

OW0203183993 Moscow BALTFAX in English 1727 GMT 2 Mar 93

[Following item transmitted via KYODO]

[Text] Chairman of the Lithuanian Social Democratic Party and Deputy Chairman of the Lithuanian parliament Aloyzas Sakalas expressed his doubts on the advisability of forming a consulting-policy council under the Lithuanian president.

As already reported, the proposal to form such an organ was advanced by Vytautas Landsbergis, the opposition leader in the Seimas.

Lithuanian President Algirdas Brazauskas favorably received the proposal. Seimas Chairman Ceslovas Jursenas also favored forming the policy council.

At a briefing Tuesday [2 March] Sakalas said that if the consulting council includes representatives of all parties and movements it will be incapacitated. Yet, Sakalas feels, if only those political parties which hold mandates in the Seimas are represented, the consulting council would simply be unnecessary. He said the organ's functions have until now been successfully fulfilled by the multi-party constituency in parliament, which includes representatives of various political organizations.

Centrists To Expedite Multiparty System Formation

OW0403175793 Moscow BALTFAX in English 1654 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] Leader of the Centrist movement and faction in the Lithuanian Seimas, Romuladas Ozolas, wants to expedite the formation of a multi-party system in the republic.

In his appearance at a briefing in Vilnius Thursday [4 March], Mr Ozolas opined that the most dependable organization at the left wing of the republic's political forces becomes the country's Social Democratic Party which is balanced at the right wing by the Christian Democratic Party. The liberal center of the Lithuanian political forces, in his judgment, could be formed by the Centrist movement in cooperation with the liberal union.

The leader of the Centrist movement said the most sound opportunity to shape into a serious, rightist-oriented political force has the Union of Rebirth of the Homeland whose inception was announced at the Sajudis session at the Seimas.

In the words of Mr Ozolas, the ruling Democratic Party of Labor of Lithuania, which was identified with the republic's leftist wing, ceased to exist as the Brazauskas Party following the election of the republic's president on February 14. He noted, however, that this political force will have excellent prospects for development should it dissolve itself and transform into a new party.

Factions Demand Change in Electoral Commission

WS0303103593 Vilnius ELTA NEWS BULLETIN in English 1850 GMT 2 Mar 93

[From ELTA "NEWS BULLETIN" No. 196]

[Text] 2 March 1993—Representatives of the DLP [Democratic Labor Party] and social democrats faction have demanded to change part of the members of the Chief Electoral Commission. They are blamed for "the disrespect of the Lithuanian Constitution, laws and Supreme Court."

The declaration has been adopted due to the refusal of the Chief Electoral Commission to obey the decision of the Supreme Court to change the results of the elections to the Seimas in three electoral areas.

Last year after the second round of the elections to the Seimas, the Chief Electoral Commission by a majority of votes canceled the results in some of the electoral districts of those areas. This caused a basic change in the electoral results. According to these results, the commission stated that three candidates of the Sajudis coalition were elected to the Seimas.

The DLP appealed against the decision of the commission. The Supreme Court satisfied its suit. The Court determined that the commission's reasons for the cancellation of the results—voters were not Lithuanian citizens—were not well-grounded. The Court also ruled to give the Seimas mandates to the DLP members.

Last Saturday [27 February] the Chief Electoral Commission, by a majority of votes, declared that "there is no legal motivation for the change of its previous decision." The Chairman of the commission Vaclovas Litvinas did not agree with the decision and applied for resignation from his post.

The Chairman of the Seimas Vaclovas Jursenas said that the application of Vaclovas Litvinas will be discussed at the Seimas's session which will start on March 10. On the same day the Seimas commission investigating the activity of the Chief Electoral Commission is to present its report.

Democratic Labor Party Said on Verge of Split

OW0403105093 Moscow BALTFAX in English 1020 GMT 4 Mar 93

[Following item transmitted via KYODO]

[Text] The Democratic Labor Party which won the parliamentary and presidential elections in Lithuania is on the threshold of a split, according to the biggest Lithuanian newspaper LIETUVOS RYTAS.

Its wing dissatisfied with the "lack of resolution" of the leadership, "the neutralization and paralysis of political will and responsibility of the left-wing forces in parliament and fear of the opposition" is splitting away. This more leftist group favors greater resolution and the removal of Sajudis members from decision-making.

Judging by the article the founding conference of the new party should be held in summer. It is expected to take the name of social justice or social revival party.

LDLP Faction Head Criticizes Right Wing

WS0503114193 Vilnius ELTA NEWS BULLETIN in English 1713 GMT 4 Mar 93

[From ELTA "NEWS BULLETIN" No. 198]

[Text] 4 March 1993—On March 3, at the first press conference of the LDLP [Lithuanian Democratic Labor Party] faction, LDLP Seimas faction leader Justinas Karosas declared, it is becoming calmer in Lithuania, people's resistance is decreasing. It seems that not a single action will be brought against the presidential election, he stressed.

Paradoxically, Justinas Karosas rejoiced at the fact that Lithuanian television did not allocate the LDLP faction any time on the television, even though the faction had requested a permanent position. It is not a reproach, he said, it shows that the Lithuanian state television and radio works according to a democratic model.

The LDLP faction leader criticized the new Sajudis Seimas documents. One says that the LDLP temporarily took power. Eternal power does not exist and the LDLP found itself in power through the will of the people, he said.

Generally in the workings of the right-wing opposition Justinas Karosas perceived an "autocratic thirst." According to him, more anti-democratic tendencies are manifesting themselves in them. The LDLP faction leader stressed that regardless of positive things in the Seimas, we are entering agreements with difficulty.

Landsbergis Criticizes Yeltsin Peacekeeping Statement

OW0303193093 Moscow BALTFAX in English 1908 GMT 3 Mar 93

[Following item transmitted via KYODO]

[Text] The leader of the Lithuanian parliamentary opposition, Vytautas Landsbergis, has released a statement entitled "On Russia's Bid to Become International Policeman." In his statement, Mr Landsbergis claims that President Boris Yeltsin's suggestion that Russia be granted the UN mandate to "secure peace and stability in the former Soviet Union" adds up to Russia's design to interfere with its neighbors' affairs. Mr Landsbergis also expressed concern over unstable political situation in Russia and the imperial tenor of President Yeltsin's opponents.

The Lithuanian opposition leader said he was hopeful that the plans to set up a confederation, "which would be proposed to all the CIS countries and former Soviet Union republics with a warrant to maintain stability by force, do not apply to Lithuania. [no closing quotation marks as received] "We have never been and we will never become a CIS country. We have never been part of the Soviet Union either, for we only were a country which was unlawfully incorporated and annexed by the Soviet Union," Mr Landsbergis said.

In commenting on his own statement, Mr Landsbergis explained that he was goaded by Russia's apparent bent to control the so-called "near foreign states." "The project of a confederation is nothing other than a trap into which we are wooed by the carrot-and-stick principle," the Lithuanian opposition leader observed. He

identified the stick with Russia's proposed interference in armed conflicts and the carrot with its crude oil and natural gas supplies.

In the meantime, Mr Landsbergis was highly critical of the term "near foreign states," reasoning that this label is unjustly attributed to Lithuania which does not even have any common border with Russia, while Finland, which shares with Russia an over a thousand kilometer long border is not regarded as a "near foreign state." In the words of Mr Landsbergis, this is a "political rather than geographical term."

Sinevicius Comments on Surgut Oil Meeting Results

WS0503115093 Vilnius ELTA NEWS BULLETIN in English 1713 GMT 4 Mar 93

[From ELTA "NEWS BULLETIN" No. 198]

[Text] 4 March 1993—A Lithuanian delegation, which participated in a meeting of representatives from the Commonwealth of Independent States and other former Soviet Union republics, returned from Surgut. Problems and prospects on the expansion of Russia's oil and gas fields in Tyumen and Surgut, the regions most prosperous in these sources, were discussed.

The head of the delegation, Industry and Trade Minister Albertas Sinevicius noted, Lithuania did not sign any documents in this meeting but participated as an observer. During the meeting there was opportunity to collect pertinent information for Lithuania, to get documents.

CIS leaders in Surgut signed an agreement on the establishment of an inter-governmental oil and gas council. This step was necessary because there is no one who wants to invest a lot of funds into the Russian oil and gas fields, many wells are no longer exploited, although they still have abundant oil and gas. Oil and gas obtained is sufficient for Russia but none will be left over for export.

A. Sinevicius said, every Eastern and Central European country can join the new council. It will have the possibility to invest funds into the wells and to exploit them for their own needs, leaving behind part of the oil and gas for Russia. Will Lithuania accept this form of providing oil and gas? This question will be decided by the instance of the highest power.

Opposition Against Oil Accord

OW0303193893 Moscow BALTFAX in English 1908 GMT 3 Mar 93

[Following item transmitted via KYODO]

[Text] Lithuania joining the accord on setting up an intergovernmental oil and gas council would be an infringement on the Constitutional Act on Lithuanian abstention from joining post-Soviet eastern alliances, Vytautas Landsbergis, the opposition leader in the Seimas (Parliament) thinks.

The accord on development of the fuel and energy industries was signed in Surgut by governments of most former Soviet republics on March 2 while Lithuania only sent observers to the meeting.

At a briefing Landsbergis said than no information has reached Lithuania through official channels but it follows from reports in Russian media that Lithuania did join the accord. "If this is so, the Seimas will discuss it and the accord should be rejected then. The best solution would be for President Algirdas Brazauskas to do so himself," the opposition leader said.

On the other hand, Landsbergis thinks that the mere attendance of Lithuania as an observer gives rise to serious concern, for this is a breach of the unity of Baltic countries.

The Surgut accord, he thinks, would not bring even economic benefits to Lithuania. The overriding goal of the accord, he feels, is to restore Russia's coordinating role in the oil and gas industry, make a first step to economic integration of the countries of the former USSR, and preserve that industry in Russia by using foreign investments.

Meanwhile, Justinas Karosas, leader of the Democratic Party of Labor parliamentary group, and Albinas Lozuraitis, a group member, think that even signing the accord would not amount to violation of the Lithuanian constitution. They told journalists on Monday that the accord is just an economic agreement, not a political alliance.

President Signs Law on State Budget for 1993

OW0303193793 Moscow BALTFAX in English 1908 GMT 3 Mar 93

[Following item transmitted via KYODO]

[Text] Lithuanian President Algirdas Brazauskas signed a law from the Lithuanian parliament on the state budget for 1993. On Wednesday [3 March] the law was published in the Lithuanian press. After the Seimas passed the law on February 23, leader of the parliamentary opposition Vytautas Landsbergis asked the president not to sign it.

Landsbergis feels that the budget's deficit will compromise Lithuania's standing in the eyes of the West. The opposition also sharply criticized the financial policy of the ruling Democratic Labor Party of Lithuania, which they say caused "the standard of living to drop twofold this year."

As already reported, the state budget deficit for 1993 will total over 5 Bn [billion] coupons. However, specialists expect the real deficit will add up to about 25 Bn.

Government Decides To Establish Free Trade Zones

LD0403230593 Vilnius Radio Vilnius in English 2000 GMT 4 Mar 93

[Text] The Lithuanian Government has passed a decision on setting up the first six free zones in the country. They are to be established in the airports of Kaunas, Siauliu, and [name indistinct]; in the research and technological park in Kaunas; in the former Soviet military base in Vilnius popularly known the (North Down); and in the city of Klaipeda.

By the government decree, a free zone provides for the development of production, foreign trade, research, and for the activity of banks and credit institutions. Laws on taxes and customs in the free zones are to be adopted already in the first half of this year. By a draft law the zones will be exempt from import and export taxes.

The setting up of free zones in Lithuania is expected to attract small- and medium-size businesses from abroad, and the number of such zones is likely to grow, said the chairman of the governmental commission [passage indistinct].

National Bank Chairman Explains Resignation

WS0403095093 Vilnius ELTA NEWS BULLETIN in English 1532 GMT 3 Mar 93

[From ELTA "NEWS BULLETIN" No. 197]

[Text] 3 March 1993—The chairman of the board of Lietuvos Bankas Vilius Baldisis sent his letter of resignation to the President Algirdas Brazauskas on Tuesday [2 March].

According to V. Baldisis, he was forced to take this step because "Lietuvos Bankas can only successfully work on the extremely important problems of this country's reconstruction stage with the serious support of the President, Seimas and Government of the Republic of Lithuania," and "the President of the Republic of Lithuania has already stated his position, by proposing the Seimas of Lithuania to enter a non-confidence motion against me." In his letter, he denies "all the accusations, accusations on the violation of laws, of stealing from the people, for the abuse of his post, for the immense incurred losses, and so on" that were put forward against Lietuvos Bankas and the chairman of the board throughout the years.

V. Baldisis writes, that "not being indifferent to the future of Lietuvos Bankas and the bank systems, I am prepared, within my power, to participate in the continuation of its establishment, it does not matter in which position."